CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

FIRST SESSION—TWENTY EIGHTH PARLIAMENT

17 ELIZABETH II

VOLUME I, 1968

COMPRISING THE PERIOD FROM THE TWELFTH DAY OF SEPTEMBER, 1968,
TO THE ELEVENTH DAY OF OCTOBER, 1968, INCLUSIVE

INDEX ISSUED IN A SEPARATE VOLUME

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1969

29180—1½

CANADA

House of Commons Debates

OFFICIAL REPORT

Speaker: The Honourable Lucien Lamoureux

• (10:30 a.m.)

FIRST SESSION—TWENTY EIGHTH PARLIAMENT

The twenty seventh parliament having been prorogued and dissolved by proclamation on the twenty third day of April, 1968, and writs having been issued and returned, a new parliament was summoned to meet for the dispatch of business on Thursday, September 12, 1968, and did accordingly meet on that day.

Thursday, September 12, 1968

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

Alistair Fraser, Esquire, the Clerk of the House, read to the house a letter from the assistant secretary to the Governor General informing him that the Right Honourable J. R. Cartwright, Chief Justice of Canada, in his capacity as Deputy Governor General, would proceed to the Senate chamber to open the first session of the twenty eighth parliament of Canada on Thursday, the twelfth day of September, at ten thirty o'clock.

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Members of the House of Commons:

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

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

Honourable Members of the Senate,
and Members of the House of Commons:

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

• (10:50 a.m.)

And the House being returned to the Commons chamber:

ELECTION OF SPEAKER

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

[*Translation*]

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Fraser, the first and one of the most important tasks of the members upon the opening of a new parliament is the election of the Speaker of the house. The member whom we choose will preside over our deliberations and direct the services which are essential to the efficient guidance of our business; he will also represent us on numerous occasions in Canada as well as abroad.

[*English*]

To perform these functions, and to perform them to our satisfaction, he will require a formidable array of qualities. He must enjoy our respect without losing our affection. He must be firm yet sensitive, a master of language and a good listener, able to interpret the law and to understand human nature. He must be prepared to cite a precedent, and to know when to distinguish it. It will be helpful if he has a good sense of humour, and if

he can be equally witty in both languages. He needs the skills of a judge and a diplomat. He should combine the talents of a tight-rope walker, a juggler and, occasionally, a lion tamer. In short, he must be a born parliamentarian.

It was our good fortune to find such a man for our Speaker in the last parliament. At the beginning of this session it is reassuring to nominate a man who has demonstrated these qualities and who now has behind him the experience of an eventful and sometimes hectic parliament.

[*Translation*]

The distinguished career of the Hon. Lucien Lamoureux has prepared him particularly well to fulfil the role of Speaker. Born in Ottawa, where he also studied, he spent the greater part of his life within a few miles of parliament hill. After having been admitted to the bar in Ontario, he became executive assistant to the Minister of Transport. Since 1954, he has practised law at Cornwall, where he took an active part in public affairs, particularly in the field of education. Elected member for Stormont in 1962 for the first time, he was re-elected in 1963, 1965 and 1968. He was appointed Deputy Speaker of the house and Chairman of committees of the whole for the 26th parliament. He was Speaker of the house of Commons during the 27th parliament.

At the end of the last parliament, a large number of members from all parties paid tribute to the way in which he had fulfilled his duties by agreeing that his seat should not be contested in the election. I know that the hon. member firmly believes that independence is necessary to the good operation of the speakership and I welcomed with pleasure the co-operation of the Leader of the Opposition (Mr. Stanfield) and of the leaders of the other parties who did not contest his election as an independent member.

To propose a former speaker and an independent member for the speakership of the house constitute two precedents which I am pleased to create. Those precedents give an idea of the new role that the Speaker will be called upon to play.

[*English*]

At every session of parliament the amount of legislation and other parliamentary business increases substantially, while the amount of time available for debates in the house remains virtually the same. If parliament is to play its proper role we must ensure that the available time is used wisely and fairly. An active Speaker who enjoys the confidence and support of the members can greatly improve the performance of the house. This has been our experience and the experience of other Commonwealth parliaments.

In the last parliament we agreed to abolish appeals from the Speaker's rulings. All who were members of the house during that parliament would agree, I believe, that this improved our proceedings without detracting from the rights of individual members. The special committee on procedure, which visited the United Kingdom parliament last winter, reported:

> Again and again during the days we were at Westminster we were impressed by the key role as the impartial conductor of the work of parliament conferred on the Speaker.
>
> When neither rules nor understandings can be devised to guide, the wisdom and diligence of Mr. Speaker prevails. Experience has shown that an officer of his high standing is needed. At Westminster he has been given both heavy duties and countervailing independence and honour. Undoubtedly, the independence of the Speaker and the power vested in him constitute a condition precedent to the effectiveness of parliamentary procedure in the United Kingdom.

I am convinced that these remarks apply with equal force to our own house. That is why the policy of strengthening the Speaker's independence and increasing his responsibilities has been advanced and supported by many members in all parts of the house. That is why I feel certain that the members of the house will support me in urging the Speaker, with respect, not to hesitate to restrain abuses of the rules and irrelevancy, no matter on which side of the aisle they arise.

[*Translation*]

I am sure that all hon. members will want to join with me to express our feeling that, of all the members of this house, the Hon. Lucien Lamoureux is the most qualified by his temperament, his knowledge and his experience to assume the heavy responsibilities of the office for which I have the honour to propose his candidacy.

[*English*]

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

Some hon. Members: Hear, hear.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Fraser, it gives me a great deal of pleasure to second the Prime Minister's nomination of the member for Stormont-Dundas as Speaker for this first session of the twenty eighth parliament.

[*Translation*]

Mr. Lamoureux, who was elected Speaker at the first session of the 27th Parliament, has always since then discharged that important office with tact, diplomacy, firmness and with complete and scrupulous impartiality.

[*English*]

Coupled with these qualities has been an innate wisdom, comprehension and respect for the parliamentary process, for parliament and the rights of members of parliament.

I might mention, sir, that at Mr. Lamoureux's election the Prime Minister of the day addressed his words to the then Clerk, Mr. Raymond. Today, only a short time later, although the procedure is the same you, Mr. Fraser, have succeeded Mr. Raymond and at the opening of this new session I take the occasion to wish you well.

Some hon. Members: Hear, hear.

Mr. Stanfield: The appointment of a permanent Speaker remains one of the necessary objectives of parliamentary procedure and parliamentary improvement. I hope we can all agree upon the urgency of taking action in this regard. I hope also I will be forgiven for saying here that I am proud of the role played by the members of the Progressive Conservative party in Stormont-Dundas in order that Mr. Lamoureux could come to parliament bearing as much as possible the stamp of non-partisan approval. But the traditional rights of party supporters to nominate candidates in Stormont-Dundas must not be forgotten. Therefore it is urgent in that respect as well as for the regulation of parliamentary procedure that early consideration be given to alternative methods of removing the election of the Speaker from partisan considerations.

• (11:00 a.m.)

[*Translation*]

I am glad to say it again: The choice of Mr. Lamoureux is a happy one. His past rulings show the attachment and the respect he has for the institution whose standing orders he had to apply. While men come and go, the continuity of institutions ensures the survival, the strength of democracy.

But the institutions must keep abreast of the times—and the same is true of parliament—and in that sense, I think that when the office of Speaker becomes permanent, we will have taken a step forward.

[*English*]

The Speaker is the chief officer of parliament. He has been the bulwark of the privileges of parliament and its members. In the continuity of the office of Speaker and its progressive removal from the exigencies of partisan conflict lie the best guarantees of parliament's survival as the basic institution of freedom. In the eyes of the Speaker there are no parties in parliament, there are only members equal as to rights and privileges, equally entitled to consideration. It is this which makes parliament the supreme instrument of man's designing for the defence of freedom.

Mr. Lamoureux has been and I am sure will continue to remain an outstanding exponent of these great principles and traditions. Personally and on behalf of the members of this party in the house I extend to him my congratulations, anticipating the outcome of the motion with great confidence, and my best wishes as he resumes his most important duties at the opening of this session of parliament.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. David Lewis (York South): Mr. Fraser, we already have had the experience and the pleasure of having Mr. Lamoureux as a Speaker, and he has always displayed fairness, kindness and wisdom. What more could we ask of the man who is now our Speaker?

[*English*]

I note, Mr. Fraser, that Mr. Lamoureux is sitting in the opposition benches of the chamber, determined to show his independence even before he is officially elected Speaker. This is perhaps characteristic of the man's sense of propriety, and humour as well.

I want to agree with the right hon. Prime Minister and the Leader of the Official Opposition on behalf of my colleagues and myself with the necessity of constitutional arrangements in respect of a permanent Speaker in this house, without any constituency in the land being deprived of the opportunity of an electoral contest. That step will receive all

our support. I also noted that the right hon. Prime Minister, as an expert lawyer, emphasized the fact that the Speaker must be able not only to interpret the rules but also to distinguish them when the situation requires. In that agile effort of applying the rules with impartiality and good nature to the particular situation, Mr. Lamoureux has already shown himself to be a master.

It is with very deep pleasure that we of the New Democratic party support his candidature for this office and offer him the co-operation which I know he will receive from all hon. members of the house.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Fraser, when the appointment of a permanent Speaker was discussed some months ago, the Hon. Lucien Lamoureux was suggested for this position, and we were happy to think that he might become permanent Speaker of this house. The hon. Lucien Lamoureux possesses obvious qualities thanks to which he has shown himself to be, during the 27th Parliament, one of the great Speakers in the history of the House of Commons. He acted with impartiality, and even when Parliament was led by a minority government, he managed to do a difficult job very well, in spite of a situation which was often rather awkward.

This time, the Speaker will preside over the deliberations of a parliament led by a majority government, and this for the first time in six years. At this time, I feel that the hon. Mr. Lamoureux has, once again, all the unquestionable qualities required to know that we must protect the minorities. Now, we will be a minority. I am of the opinion, in short, I am already convinced that the hon. Mr. Lamoureux will treat the members of parliament, the appointees of the people as they should be treated in a democratic parliament. We have been appointed by the Canadian people: the hon. Mr. Lamoureux knows that.

We, of the Ralliement Créditiste, are indeed very happy to support fully the motion of the right hon. Prime Minister (Mr. Trudeau), seconded by the Leader of the Official Opposition (Mr. Stanfield), for the appointment of the hon. Mr. Lamoureux as Speaker of the house during the session opening today.

Therefore, we wish every success to the hon. Mr. Lamoureux, and we feel sure that the members will be treated equitably, in all fairness, for the common good of the Canadian people.

[*English*]

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

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

• (11:10 a.m.)

Mr. Speaker: Hon. members, I thank you for the honour you have just bestowed upon me, an honour which is shared by my family and by the constituents I represent in this parliament.

For the second time you have called me to the high office of Speaker of the House of Commons. I am deeply grateful to you for this renewed expression of confidence. When I stood before you as Speaker-elect to the twenty seventh parliament I undertook to serve this house and to serve parliament with fairness, objectivity and impartiality. This is my renewed pledge to the house on this solemn occasion.

Some hon. Members: Hear, hear.

Mr. Speaker: I will again consider it an honour and my duty to uphold the rights and privileges of individual members of the house and to maintain our parliamentary customs and traditions, and I am sure all hon. members will want to co-operate with their presiding officer to ensure that in its deliberations our assembly will always observe the highest standards of decorum, propriety and dignity.

[*Translation*]

I therefore thank you, Mr. Prime Minister, and I thank you, hon. members, for the great honour that you have just bestowed upon me.

I am deeply touched, of course, by the much too flattering remarks of the Prime Minister (Mr. Trudeau) and I am also grateful to the Leader of the Opposition (Mr. Stanfield who, in much too gracious terms, was kind enough to support the Prime Minister's motion. The remarks made by the Prime Minister and the Leader of the Opposition as

well as those made by the hon. members for York South and Témiscamingue (Messrs. Lewis and Caouette) are for me today a source of comfort and encouragement and will be a source of strength, if need be, in difficult moments.

In the discharge of the high office devolved upon me, I shall do my utmost to deserve the confidence placed in me today by all members of this house.

As in the past, I shall count on the co-operation and goodwill of all hon. members. I will rely on them for advice, especially on those of our colleagues who bring to our debate the wisdom of age and a long experience in this house.

Such a co-operation will contribute more than any other factor to the orderly, efficient and dignified dispatch of our parliamentary business.

[*English*]

Hon. members, I approach my task with humility and fully conscious of my limitations, but sustained by your advice and counsel I shall endeavour to prove worthy of the trust committed to me by this house whose servant I am.

Some hon. Members: Hear, hear.

SITTING SUSPENDED

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

Mr. Speaker: The house has heard the suggestion by the right hon. Prime Minister that this sitting be suspended until three o'clock this afternoon. Is it the pleasure of the house to adopt this suggestion?

Some hon. Members: Agreed.

Mr. Speaker: I declare the sitting suspended until the ringing of the bells at three o'clock this afternoon.

At 11.15 a.m. the sitting was suspended until 3 p.m. this day.

• (3:00 p.m.)

SITTING RESUMED

The house resumed at three o'clock.

HOUSE OF COMMONS

PRESENCE AT TABLE OF FORMER CLERK

Mr. Speaker: Before commencing further proceedings, perhaps I might be permitted to recall to the minds of hon. members that on Friday, July 7, 1967, the following motion was adopted by the house:

On motion of Mr. Martin (Essex East) for Mr. Pearson, seconded by Mr. Diefenbaker, it was resolved,—That the Members of this House, desiring to record their deep appreciation of the long and distinguished service rendered by Léon-J. Raymond, Esquire, O.B.E., as Clerk of the House of Commons, and acknowledging the dignity and profound learning with which he graced his office, designate him as Honorary Officer of the House of Commons with an entrée to the Chamber and a seat at the Table on ceremonial occasions.

To give effect to the motion of the house Mr. Raymond today is sitting at the table of the house.

Some hon. Members: Hear, hear.

OPENING OF THE SESSION

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

• (3:20 p.m.)

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

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

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

May it please Your Excellency,

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

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

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

Mr. Speaker, I am commanded by His Excellency the Governor General to declare to you that he freely confides in the duty and attachment of the

House of Commons to Her Majesty's person and government, and not doubting that their proceedings will be conducted with wisdom, temper and prudence, he grants and upon all occasions will recognize and allow their constitutional privileges.

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

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

And the house being returned to the Commons chamber:

• (4:10 p.m.)

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

OATHS OF OFFICE

[*Translation*]

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

Motion agreed to and bill read the first time.

[*English*]

SPEECH FROM THE THRONE

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

Honourable Members of the Senate:

Members of the House of Commons:

I have the honour to welcome you to the first session of the 28th Parliament of Canada.

Across the land there are great expectations of what this Parliament will produce. My Ministers recognize the responsibility for leadership which these hopes entail. They are determined to do all that they can to carry out the mandate they received from the people of Canada in the recent general election. They recognize their duty to ensure that the wishes of Canadians concerning their Government be fulfilled as quickly and as completely as the general advantage will allow. At the same time my Government is conscious that aspirations and their realization have to be tempered by a sober awareness of reality. In the complexities of modern society, effective programs take time to develop and more time to implement. At all stages they require financial and intellectual resources which are not unlimited and must be used with careful planning and the hard judgement of priorities. It is a simple fact of life that everything cannot be done at once.

My Government has planned the legislative program of this first session in the context of a Parliament of normal duration. To make way for the consideration in later sessions of new programs that Ministers are already developing, it is proposed, during the current session, to elucidate priorities and to set in motion new policies. Of equal importance, though of far less drama, Parliament will be asked to deal with a host of matters essential to the smooth and up-to-date functioning of government which were not disposed of in the previous Parliament. My Government considers that its first responsibility, and the first responsibility of this Parliament, is to clear the accumulation of essential legislative adjustments, improvements and modernizations left over from the last Parliament. Unless they are cleared up promptly, efficient public administration and the effective operation of the Canadian economy and society will be hampered.

My Ministers believe that much of the delay and difficulty in the handling of Parliamentary business during recent years could have been avoided or reduced by the improvement of Parliamentary rules and procedures. It is their view that Canadians feel that Parliament is too far removed from the people it serves; its operations are too slow and ponderous; its deliberations are often insufficiently informed and its decisions are too few and too much delayed. In order that Parliamentary institutions may retain the confidence of the people, and in order that they may cope successfully with the vast scope and complexity of government today, it is essential that provision be made for legislative machinery that can act speedily on the large number of varied, detailed and complicated legislative, financial and policy questions that will be the normal, and indeed the growing, Parliamentary program of the future. My Government accords the greatest importance to Parliamentary reform and, to this end and as a matter of the highest priority, it has already had useful discussions with representatives of Opposition parties concerning changes in the rules and procedures of the House of Commons.

So that the Official Opposition, to which we in Canada give formal recognition as a vital part of our democratic process, as well as the other parties in opposition, may be in a position to cope more effectively with the heavy load of action and decision each session must face, you will be asked to make new provision for the Official Opposition, and the other parties in their Parliamentary role. You will also be asked to consider additional facilities for the better discharge of the functions of Parliament generally.

My Government is deeply and irrevocably committed to the objectives of a just society and a prosperous economy in a peaceful world. My Ministers believe that the unity of the country is fundamental to the attainment of these goals, as—indeed—to the enjoyment by each Canadian of the maximum possible liberty, happiness and material well-being. Constitutional reform remains the best long-term guarantee of Canadian unity and my Ministers are directing officials in discussions with the Provinces which are proceeding well and will, through a series of intergovernmental

conferences, lead to proposals that Parliament will wish to consider. In the meantime, however, to further the objective of a united Canada, you will be asked during the current session, to enact a totally new Official Languages Act based on the recommendations of the Royal Commission on Bilingualism and Biculturalism. You will also be asked to approve a new Publication of Statutes Act to change the way in which the law of our bilingual land is presented and made known in both the official languages of our land. You will also be asked to consider measures relating to Indians, to citizenship, to national symbols, to cultural agencies, to transportation of all kinds as well as to communications (including satellites), educational television, and the financing of the Post Office.

Some of these proposals involve the righting of wrongs and others the opening of opportunities long denied. Together they exemplify the essential connection between justice and national unity. The attainment of a just society is the cherished hope of civilized men. While perhaps more difficult to formulate for groups than for individuals, even the members of majorities—political, religious, linguistic or economic—must know what it is to suffer injustice. My Government is deeply concerned to provide and to ensure increased justice, dignity and recognition to the individual, particularly in an age which is characterized by large governments, industrial automation, social regimentation and old-fashioned laws. A great deal has been accomplished in recent years to make the Canadian society more just in terms of income distribution and security against the vicissitudes of life. Pensions for the aged, provision for the sick and for the needy have been made more effective by legislation passed in recent Parliaments and by action of the provinces. Notwithstanding such measures, poverty continues to exist in Canada. My Government recognizes that, but it also believes that it would be deluding and cruel to pretend that there is a simple, all-encompassing or instantaneously effective remedy. Poverty can be dealt with successfully and permanently only by continued and determined action in a variety of ways by all governments. For its part, Parliament can be assured that the federal government will contribute fully and assume leadership wherever it can properly do so. To this end, the proposals you will have for your consideration will include the establishment of a department charged with the objective of ensuring that people in all areas and regions of our country have as equal access as possible to the opportunities of Canada's economic development.

At the same time, there are other and broader elements vital to a just society, and my Ministers feel that these must receive, at this and in later sessions of Parliament, a degree of attention they have not had hitherto. Toward these ends, you will be asked to enact important changes in the Criminal Law, to provide new protections for consumers and investors, to up-date food, drug and health legislation, to revise or amend legislation relating to the machinery of justice, and to correct a number of particular injustices, including those resulting from certain provisions of the Industrial Relations and Disputes Investigation Act. During the course of the present session it is anticipated that the government will receive reports from inquiries with regard to labour legislation and veterans pensions, and it is the intention of my Ministers to bring their proposals in these matters before you as soon as possible.

My Government believes that the objective of a just society must always include the pursuit of a prosperous economy as well as the fair distribution of its proceeds. Just as we have in the past tended, perhaps, to consider justice in our society largely in material terms, so we must recognize that there has been a tendency in Parliament and to some degree in Government to concentrate on the distributive aspects of our economy. In this course we have sometimes tended to neglect those aspects that can affect the productivity of our country, and hence the total provision of economic well-being for our society, and its competitiveness in the changing conditions of the modern world. The natural resources of Canada and the industries based upon them continue to be of immense importance to our economy but the advantages of our great physical resources by themselves are no longer an adequate base for a growing and prosperous modern economy. We shall increasingly have to compete on even terms with those countries of the world which are most advanced technologically in the provision of the sophisticated products of modern life. Unless Canada can maintain an economy that is efficient, competitive and productive in relation to the most advanced nations on earth, we cannot have the basis for a society from which poverty has been eliminated, we cannot maintain high levels of employment and income and we cannot ensure the standard of life to which Canadians generally aspire. It is against this background, as well as with the consciousness that the interests of all must be fairly balanced, that the government is approaching its policies and programs of an economic character. In this same context, Parliament will be asked during the present session to consider proposals for a systematic and continuous review of prices and costs in our economy.

Just as incomes cannot increase faster than productivity if price increases are to be restrained, so government spending by all levels of government cannot increase faster than productivity if we wish to restrain the increase in levels of taxation. These two realities are among the most important that Canadians and their leaders must bear in mind during the months and years ahead. Measures that you will have to consider relating to the Kennedy Round reflect the outcome of a major international effort to reduce the barriers to international trade and emphasize the opportunities opening up for a great trading nation like Canada. A measure to be brought before you dealing with the amendment of the Bretton Woods arrangements, results from comparable efforts to stabilize and improve the whole international financial system.

Conscious of the limitations it must place on its expenditures, my Government has acted within the framework of previously announced guidelines to select carefully the programs which in the light of regional needs and opportunities it considers most promising for the promotion of a prosperous economy. My Ministers will bring before you legislation relating to the encouragement of manpower programs, regional improvements, domestic investment, export development, and resource administration, including a Yukon Mineral Act and an Oil and Gas Production Act relating to Canada's increasingly

important northern resources. In addition, my Government will propose a Freshwater Fish Marketing Act, and intends to investigate immediately a number of methods for promoting greater efficiency in the production and marketing of grains, including the establishment of a National Grains Council. You will be asked to approve amendments to the Farm Improvement Loans Act, the Farm Credit Act, the Farm Machinery Syndicates Act, the Prairie Grain Advance Payments Act, and the Fisheries Improvement Loans Act. You will be asked to consider a Canada Development Corporation Act, a Federal Cooperatives Act and an Export Development Corporation Act.

The growth of our population and the changes in the nature of our mobile urban and industrial society lend a new importance to conservation in its traditional sense. We have taken and are taking effective strides toward economic conservation through progressively better use of our resources to achieve a high and long-term productivity. We must also give new attention before it is too late to the preservation of our natural heritage for the enjoyment of Canadians of future generations. You will be asked to consider measures concerning National Parks and Historic Sites and Monuments. These and other facilities for the repose of the mind and restoration of the spirit, for sport, and for physical relaxation are and will be of increasing importance to our social environment. They offer Canadians and to visitors to Canada the possibility of a quality of life richly satisfying and ever more difficult to come by in this and in other industrial countries. Of broader importance is the problem of pollution, which must receive increased attention from federal, provincial and municipal governments. My Ministers are actively engaged in preparing proposals on these subjects and, in due course, these will be brought before you for your examination.

The natural riches with which Canada is blessed must serve to remind us that we have a substantial responsibility and a great opportunity in matters of foreign aid. My Government intends to press forward its plans and programs for international cooperation and development which include the establishment in Canada of an International Development Centre.

In international affairs generally, my Ministers regard the current situation as uncertain and deeply disturbing. Talks are under way in Paris concerning Vietnam but so far negotiations have not advanced as we had hoped they might. The Government has followed with anxiety the attempts to promote a peaceful settlement in Nigeria and has participated actively in international efforts to relieve the sufferings of the civilian population. The situation in Czechoslovakia has also caused the gravest concern to the government, not only for its effects on the prospects of détente and future evolution within Communist countries, but also for its consequences for the freedom and well-being of the Czechoslovak people. For those of them who have to seek refuge in other countries, my Ministers have already taken steps to offer permanent homes in Canada.

The Government has undertaken and is pursuing a thorough review of our external and defence policies. Canada's contribution to NATO, relations with Peking, with Latin America and with Europe are being studied currently. Reviews of our relations with other areas will be undertaken later and, as conclusions are reached, Parliament will be invited to consider them.

The events in other lands to which I have referred are a vivid reminder that our good fortune as Canadians includes rights and freedoms as well as material advantages. They alert us to the need, not only for vigilance in the conservation of our democratic institutions, but also to the importance of constant concern for their improvement. Efficient government, responsive to public requirements and open to public participation, is essential to the meaningful operation of the democratic process. It will be the more vital in the future as technology and science provide new and more immediate means for the dissemination of information and for the involvement, as individuals, of all our people. The Government has already taken steps to review its information services in order to introduce, as soon as possible, improvements by which the flow of information into and out of the government will be more efficient and effective, permitting the people of Canada a continuing, informed, and more active participation in the activities of their government. In addition, as part of the continuing process of modernization and development of governmental machinery, you will be asked during the current session to enact a Government Organization Act. This measure will complete a number of changes in organization and structure announced by the Prime Minister some weeks ago and will complement the Parliamentary reforms so fundamental to the successful operation of our democratic institutions.

The reinforcement and renovation of Parliamentary and administrative machinery and the clearing away of the substantial backlog now outstanding in the legislative program, will free Parliament so that it can come to grips with difficult and pressing problems relating to youth, poverty, regional disparities, urban growth, individual welfare, and the application and encouragement of scientific technology. These subjects are of concern to all governments in Canada and it is clear that a great deal more has to be done than has so far been contemplated. It would be wrong, however, to expect solutions to be found easily or indeed to be found at all except on the basis of close cooperation in good faith between federal, provincial and municipal governments not only in planning but in implementation as well.

To assist in this process it would be useful to have available to all governments an institute where long-term research and thinking can be carried out into governmental matters of all kinds. At the present time there is no such facility available in this country and it is the intention of my Ministers to bring before you in the near future legislation that will fill this most important gap in our governmental apparatus.

Members of the House of Commons:

During the current session you will be asked to appropriate the funds required for the services and payments authorized by Parliament. In addition to this business, the legislative program that the Government proposes is very extensive but many of the items have been seen before or are of an uncontroversial nature. A list of the Bills relating to the matters to which I have referred will be tabled by the Prime Minister later this day and

other portions of the program will be brought forward as the session proceeds. It is very important to the proper government of the country in the years ahead that the proposals for the current session be dealt with. In Canada as in other countries of the world democracy today faces a decisive challenge. It must adapt to new circumstances and new demands or fail in its purpose. This challenge is not abstract but a confrontation which you will have to face by virtue of your election to this Parliament.

Honourable Members of the Senate,

Members of the House of Commons,

May Divine Providence guide you in your deliberations.

[*Translation*]

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

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

Motion agreed to.

[*English*]

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I request leave of the house to table a list of the titles of the several bills which were referred to in His Excellency's speech. I would ask, Mr. Speaker, that this list of titles be printed in today's *Hansard*.

Mr. Speaker: Is it agreed that the list of the bills referred to in His Excellency's speech be printed in this day's *Hansard*?

Some hon. Members: Agreed.

[*Editor's Note: The list of bills referred to above is as follows:*]

1. A bill respecting the status of the official languages of Canada.

2. A bill to amend the Publication of Statutes Act.

3. A bill to amend the Post Office Act.

4. A bill to amend the Customs Tariff.

5. A bill to establish a Canadian educational broadcasting agency.

6. A bill respecting the organization of the Government of Canada and matters related or incidental thereto.

7. A bill to amend the Farm Improvement Loans Act.

8. A bill to amend the Farm Credit Act.

9. A bill to amend the Farm Machinery Syndicates Credit Act.

10. A bill to amend the Prairie Grain Advance Payments Act.

11. A bill to amend the Fisheries Improvement Loans Act.

12. A bill to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act.

13. A bill to amend the Industrial Relations and Disputes Investigation Act.

14. A bill to amend the Canada Evidence Act.

15. A bill to amend the Veterans Land Act.

16. A bill to amend the Navigable Waters Protection Act.

17. A bill respecting the construction of a line of railway in the Province of Alberta by Canadian National Railway Company from the vicinity of Windfall on the Windfall Extension to the Sangudo Subdivision of the Canadian National Railway in a westerly direction for a distance of approximately 51 miles to the Bigstone property of Pan American Petroleum Corporation and of a connecting spur extending in a northerly direction for a distance of approximately 9 miles to the South Kaybob property of Hudson's Bay Oil & Gas Company Limited and its associates.

18. A bill respecting the marking of articles containing precious metals.

19. A bill respecting the production and conservation of oil and gas in the Yukon Territory and the Northwest Territories.

20. A bill to establish a satellite communication corporation.

21. A bill to regulate interprovincial and export trade in freshwater fish.

22. A bill to establish the Export Development Corporation.

23. A bill to amend the Bretton Woods Agreements Act and the Currency, Mint and Exchange Fund Act.

24. A bill to amend the Canada Shipping Act.

25. A bill to amend the National Parks Act.

26. A bill respecting minerals in the Yukon Territory.

27. A bill to amend the Aeronautics Act.

28. A bill to prohibit the sale and advertising of hazardous substances.

29. A bill to amend the Food and Drugs Act and the Narcotic Control Act and to make a consequential amendment to the Criminal Code.

30. A bill respecting investment companies.

31. A bill to establish the Canada Development Corporation.

32. A bill to amend the Canadian Overseas Telecommunication Corporation Act.

33. A bill to amend the Historic Sites and Monuments Act.

34. A bill to amend the National Library Act.

35. A bill to amend the Judges Act.

36. A bill to amend the Expropriation Act.

37. A bill to provide for the dissolution of the Dominion Coal Board.

38. A bill to amend the Financial Administration Act.

39. A bill to amend the Canada Corporations Act.

40. A bill to amend the Criminal Code.

41. A bill to amend the Animal Contagious Diseases Act.

42. A bill to amend the Pest Control Products Act.

43. A bill to prevent the introduction or spreading of pests injurious to plants.

44. A bill to provide compensation to farmers whose agricultural products are contaminated by pesticide residue.

45. A bill respecting the imposition of anti-dumping duty.

46. A resolution concerning the National Anthem.

47. A bill to establish an Indian Claims Commission.

THE LATE COLIN CAMERON

TRIBUTES TO FORMER MEMBER FOR NANAIMO-COWICHAN-THE ISLANDS

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, it is my sad duty this afternoon to pay tribute to the memory of one of the senior members of this house, whose death this summer has prevented him from claiming the seat he won in last June's election. I speak, of course, of the hon. member for Nanaimo-Cowichan-The Islands, the late Colin Cameron.

Mr. Cameron's outstanding success at the polls—he contested six federal elections, winning five of them—was exceeded only by the effectiveness of his presence in this chamber. His contributions to the debates of the house were of a consistently high level: Always pertinent, usually provocative and frequently witty. When Mr. Cameron spoke, members were assured of a contribution of the type which has made this place the great institution it is.

[Mr. Speaker.]

Colin Cameron displayed in his person the promise which is Canada. He came to this country as a youth and devoted his energies to farming and to work in shipyards, before turning the greater part of his attention to politics. Using his own talents in this land of opportunity, he came to this house where his lucid mind and forceful debating ability placed him in the forefront. He will not soon be forgotten in this chamber.

Neither will he be forgotten elsewhere in this land. It was part of the measure of this man that the tenacity of purpose which he displayed on the floor was matched by a courtliness and warmth which won him friends on all sides.

Mr. Cameron's loss, Mr. Speaker, will be felt by his family of whom he was so fond, by his party to which he was so loyal, and by this house to which he contributed so much. Canada herself can ill afford the loss of a man of this stature.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, on behalf of all the members of this party I want to join the Prime Minister in paying tribute to the memory and to the contribution made by the late Colin Cameron. He was a member of long standing of this house, and before that of the legislature of British Columbia. He applied his uncommon wit, intellect and eloquence to the great issues of his time. Simply on that record of three full and active decades in public life he earned the esteem of his countrymen. But I think it was the manner of his service which won for Colin Cameron the immense affection and respect of all who were associated with him.

He was a vigorous partisan, not simply of a party, which he served with distinction, but also of a point of view which he argued and advanced with a rare eloquence. He would set differences aside when the argument was done. I had the privilege of meeting him quite a number of years ago; but like others who came more recently to this house I knew Colin Cameron by his reputation as a spirited debater and a fine and gentle man, and our observations here confirmed that reputation.

• (4:20 p.m.)

This house will miss his vigorous presence, and we extend to his family and to his associates our very genuine sympathy.

[*Translation*]

Mr. Réal Caouette (Témicasmingue): Mr. Speaker, I too, and on behalf of my colleagues, join the right hon. Prime Minister

(Mr. Trudeau) and the leader of the official opposition (Mr. Stanfield) in extending to the family of Mr. Colin Cameron our most sincere condolences.

We had the opportunity of knowing Mr. Cameron in this house during six years; he was a member of parliament for eleven years, after having sat in the legislature of British Columbia for several years. All of us, regardless of our political allegiance, have admired his hard work in this house. He was the financial critic for his party and, from that point of view, we were very much interested in the criticism he voiced. Even though we may not have shared his opinions and criticism, Mr. Cameron still was a model member, a member who minded his own business, a man who brought something worthwhile to the House of Commons, as well for the government as for the opposition.

The house will certainly suffer from the loss of this inveterate worker. In any event, the memory of Mr. Cameron dwells with us and we offer to his family our most sincere condolences.

[*English*]

Mr. David Lewis (Yorth South): Mr. Speaker, the words which have been spoken by the Prime Minister (Mr. Trudeau), the Leader of the Opposition (Mr. Stanfield) and the hon. member for Témiscamingue (Mr. Caouette) are very deeply appreciated not only by the members of my party who are in this chamber but also by thousands of our members across the country, and most particularly by the family who survive Mr. Cameron.

I had known him for over 30 years. We worked together in the C.C.F. party as in the New Democratic party and I learned, with all my colleagues in our party, to admire and respect Mr. Cameron as much in disagreement as in agreement.

We found him always, if I may put it this way, a civilized human being, a human being with compassion for others, a human being with sensitivity about other people, a human being with concern not only for the welfare but for the comfort, decencies and relationships among people. That deep human concern expressed itself in the vigour of his opposition as well as in the vigour of his support.

He was a man, as I know, and all others who worked with him for, as I have said, more than three decades in a party know—he was a man who was dedicated beyond exaggeration to the improvement of the human condition not only in his own land but in lands all across the world. He was, when one knew him personally, as deeply affected by the hunger and deprivation of millions of people in Asia, Africa or elsewhere in the world as he was by the hunger and suffering of people here in his own country.

It was this profound dedication to the welfare of human beings that made him stand out among his peers in this country. Added to that was an appreciation of language, a respect for the nuance of words and a poetic turn of phrase which made the expression of his concern for humanity a delight to listen to.

We are grateful to the Prime Minister, and to the others who have spoken, for their kind words about a colleague whom we in this party miss profoundly, as does this house.

INTERNAL ECONOMY COMMISSION

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

The Governor General transmits to the House of Commons a certified copy of an order in council appointing the Hon. George James McIlraith, Solicitor General of Canada, the Hon. Charles Mills Drury, President of the Treasury Board, the Hon. Jean Chrétien, Minister of Indian Affairs and Northern Development, and the Hon. Donald Stovel Macdonald, President of the Queen's Privy Council for Canada, to act with the Speaker of the House of Commons as commissioners for the purposes and under the provisions of chapter 143 of the Revised Statutes of Canada, 1952, intituled: An act respecting the House of Commons.

[*Translation*]

STANDING COMMITTEES

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

That a special committee be appointed to prepare and report, with all convenient speed, list of members to compose the standing committees of this house and that such committee be composed of Messrs. Baldwin, Bell, Knowles (Winnipeg North Centre), Macdonald (Rosedale), Pilon and Rondeau; and that the provisions of paragraph (1) of standing order 65 not apply with regard to the number of members on such committee.

Motion agreed to.

[*English*]

HOUSE OF COMMONS

APPOINTMENT OF CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I move seconded by Mr. Macdonald that Mr. Hugh Faulkner, member for

the electoral district of Peterborough, be appointed chairman of committees of the whole house.

Motion agreed to.

[*Translation*]

APPOINTMENT OF DEPUTY CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I move, seconded by Mr. Macdonald (Rosedale) that Albert Béchard, Esquire, Member for the electoral district of Bonaventure, be appointed Deputy Chairman of Committees of the Whole House.

Motion agreed to.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I believe that this concludes our business for today. Therefore I move, seconded by Mr. Macdonald (Rosedale):

That this house do now adjourn.

[*English*]

Motion agreed to and the house adjourned at 4.32 p.m.

HOUSE OF COMMONS

Friday, September 13, 1968

The house met at 11 a.m.

HOUSE OF COMMONS

INTRODUCTION OF GOVERNMENT BILLS IN BILINGUAL FORM

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I have had conversations with hon. members in various corners of the house and I understand that the house generally would agree to have government bills introduced in bilingual form.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

PROPOSED CONTINUATION OF PROVISIONAL RULES FOR CURRENT SESSION

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the government has put before members of the opposition parties a number of suggestions with respect to dealing with the procedures of the house, both dealing with them on an interim basis—that is to say for the period of this particular session—and to provide a framework within which suggestions for procedural reform could be considered and dealt with by the house.

It is my understanding, Mr. Speaker, that there is not general agreement to the full nature of these suggestions put forward by the government, but it would be, in my opinion, perhaps reasonable if we could, on these particular discussions at least, proceed from the known territory in which the house has been operating for the last three sessions; that is to say, from the basis of the provisional rules which were in effect in the house up until the dissolution of parliament on April 23.

On that basis, Mr. Speaker, I suggest to the house that we adopt that particular proposal and put into effect the provisional rules as they stood on April 23, 1968 for the period of the current session, unless of course in the interim the house makes any changes. If there is agreement to that proposition then I would be prepared to move a motion along that line.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I have the leave of the house to make some comments which normally I would not be able to do. We in this party are in accord that some interim arrangements should be made as soon as possible covering the 1968 session. We are not in agreement with the government as to the nature of those interim arrangements. We also feel that as soon as possible measures should be taken to undertake basic, fundamental and far reaching reforms.

• (11:10 a.m.)

These two questions are tied together and ought to be the subject of discussion and debate in the house as soon as we can reach an arrangement under which this issue may be debated.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise simply to make it clear that we in this party were willing to agree to the immediate reinstatement of the provisional rules. Since there was not unanimous agreement that this be done, we are prepared to participate in further negotiations, hoping we can arrive very shortly at something upon which we can all agree.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we, of the Ralliement Créditiste, have no objection to continuing with the procedure we have been using during the last session. Therefore, we are not opposed to keeping the provisional rules in force until parliament has made a decision on the necessary changes to procedure and, until then, we have no objection to using the provisional rules, as we have been doing.

[*English*]

EXTERNAL AID

BIAFRA—INQUIRY AS TO STEPS TO RENDER ASSISTANCE

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. In

view of the tens of thousands of Biafrans dying weekly of starvation, and in view of the failure to date of the government of Canada to pursue with energy and concern any plan to bring assistance to those starving civilians, will the Prime Minister tell the house what measures the government of Canada proposes to take even at this late date to avert what threatens to be one of the great tragedies of modern times?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I would ask the Secretary of State for External Affairs to answer this question.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, no government has been more active in trying to bring to an end this horrible war in Nigeria, and no government has been more generous in providing relief supplies to deal with the great suffering and starvation existing in that country.

An hon. Member: Can they reach Biafra?

Mr. Sharp: Unfortunately it has been impossible for the International Red Cross, which is the association we have agreed upon as being the instrument best suited for the purpose, to reach agreement with the Nigerian and Biafran authorities as to an adequate route for the provision of supplies. I regret this very much. We have been working to bring about agreement, but this has not yet been possible.

Mr. Stanfield: A supplementary question, Mr. Speaker. What pressures has Canada brought to bear on the governments of Lagos and Biafra to encourage a mutually acceptable arrangement for the shipment of relief supplies to Biafra?

Mr. Sharp: As much pressure as we could bring to bear, Mr. Speaker. We have been in constant contact with the government in Lagos. Nevertheless, I think the Leader of the Opposition will agree that the best instrument which can be of help in these circumstances is an international agency such as the International Red Cross, the motives of which are beyond reproach. That body could do this work most effectively. I take it that hon. gentlemen on this side of the house and on the other side will agree that we ought to continue to work through the International Red Cross.

[Mr. Stanfield.]

Mr. Stanfield: A further supplementary question, Mr. Speaker. Does the Secretary of State for External Affairs not agree that this matter is of such concern to the conscience of mankind that steps ought to be taken through the United Nations to bring pressure to bear on Britain, the U.S.S.R. and all those who supply arms to the combatants in Nigeria, and to bring pressure to bear through the United Nations to permit international agencies of the United Nations to bring relief to the starving people of Biafra?

Mr. Sharp: I agree with the hon. gentleman who leads the opposition that it is incumbent on all the peoples of the world to try to bring to an end this conflict which is causing so much suffering. I can assure the hon. gentleman that the Canadian government is as active in this connection as any other government in the world, and it is our desire, as it is his, that this conflict be ended. At the moment, however, the situation is this. The question has been referred to the Organization for African Unity, and the people of Africa have an even greater interest than have the people in any other part of the world in bringing this conflict to an end. We believe that if efforts are to be made to bring this matter before the United Nations that action should be taken, at this time at least, by those who are seized with the problem immediately, that is to say the African states themselves.

Mr. Stanfield: Am I to understand that the position taken by the government is that the niceties of international arrangements are to stand in the way of the relief, or of effective pressure to bring relief, to tens of thousands who are in need?

Mr. Speaker: Order, please.

Mr. Andrew Brewin (Greenwood): Has the Canadian government been requested to lend or supply Hercules planes to transport supplies to areas of Nigeria affected by the hostilities? Has it agreed to do so and, if not, why not?

Mr. Sharp: The government of Canada has been asked by the International Red Cross to provide Hercules planes for the airlift which that organization had hoped to arrange. Unfortunately for all of us, after agreement has been reached with the Nigerian government the Biafran authorities refused to agree to the airlift. In these circumstances the question whether we should supply Hercules planes is at the moment hypothetical.

However, just as soon as arrangements are made for the use of an airstrip we shall be glad to provide additional aircraft.

Mr. Brewin: May I ask the minister whether in view of present conditions in Biafra the consent of the Nigerian government to the sending of planes to that part of the country might not be dispensed with in the interest of humanity?

Mr. Sharp: I think the hon. gentleman misunderstood me. The objection is coming from the Biafran authorities, not from the Nigerian government.

Mr. W. B. Nesbitt (Oxford): Is the minister in a position to tell us whether any Canadian aid supplies have as yet reached Biafra? If so, can he indicate their extent?

Mr. Sharp: The supplies we provided were first landed in Lagos. They have now been moved forward by the International Red Cross to areas to which that body has access in Nigeria. They are being used very effectively, I can assure the hon. member, for the relief of suffering in that part of the country. I regret very much, as I am sure we all do, that these supplies have not reached Biafra, but all the fault is not on one side in this connection.

Mr. Nesbitt: What are these supplies? Can the minister tell us?

[*Later:*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister.

Could the Prime Minister say whether the government intends to intervene as concerns England—which he knows well—to stop the shipment of arms to the federal troops in Nigeria now guarding the Shell Company oil wells?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I should merely like to mention that the Secretary of State for External Affairs has already replied to this question, but that he might like to add something.

Mr. Dumont: Mr. Speaker, has the Shell Company contributed to the election fund of the party?

EXTERNAL AFFAIRS

REPORTED ACTIVITIES OF FRENCH OFFICIAL IN MANITOBA

[*Translation*]

On the orders of the day:

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

The Prime Minister recently criticized rather strongly some of the activities in Manitoba of a certain Mr. Rossillon, from France. Can he tell us whether the government has lodged an official protest with the French government concerning Mr. Rossillon's visit to Canada?

Right Hon. P.-E. Trudeau (Prime Minister): Yes, Mr. Speaker, there was a meeting between officials of the Department of External Affairs and the French ambassador to Canada, and the Canadian policy is as outlined by me during a press conference some days ago. There is a cultural agreement between France and Canada, and we are glad that France is willing to promote the development of the French culture of Canadians. We wish it would do so through cultural agreements, and we made this known to the French authorities.

[*English*]

LABOUR CONDITIONS

INQUIRY AS TO STEPS TO MEET UNEMPLOYMENT SITUATION

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister. In view of the absence of any reference to unemployment in the speech from the throne, and in view of the cancellation of the municipal winter works program, can the Prime Minister inform the house of the plans the government has to deal with the increase in the already high rate of unemployment which is anticipated to take place in the winter months?

Right Hon. P.-E. Trudeau (Prime Minister): Yes, Mr. Speaker. There are many references in the speech from the throne to the many-pronged attack on the problem of poverty. One will be to ensure that there is increased productivity and, as the hon. member knows, there are already programs under way under our manpower department to attack the problems of unemployment. The whole purpose of the government is to replace programs which are a burden on the public purse and which are not as productive as the programs with which they are being replaced and will be replaced in the future.

Inquiries of the Ministry

Mr. Lewis: As a supplementary question, Mr. Speaker, in view of the fact that some of the suggestions made in the throne speech are bound to take some considerable time before they have effect, has the government any immediate plans to deal with the increase in unemployment this winter by the provision of some works that would be productive and useful, or does it have any other plans that would absorb unemployment this winter?

Mr. Trudeau: As I just said, Mr. Speaker, the other plans are that we have manpower retraining and manpower mobility programs, and in the winter months these are being increased. They will be used to employ the unemployed in a productive way and make them more productive to the economy than was the case before.

[*Translation*]

Hon. Martial Asselin (Charlevoix): Mr. Speaker, since the winter works program is a shared cost program with the provinces, could the Prime Minister tell us if the government consulted the provinces before deciding to bring it to an end?

Mr. Trudeau: Mr. Speaker, the winter works program was discussed several times with the provinces. They knew that each year the possibility of putting an end to such works and replacing them with more productive ones was discussed and we informed the provinces this year of our decision.

Mr. Asselin: Mr. Speaker, were the provinces advised before the Prime Minister made a statement? Were the provinces consulted?

Mr. Trudeau: Mr. Speaker, as I said, the provinces knew that the program was being reviewed and they were waiting for our answer. We gave them our answer, which was negative.

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, after the many protests received from Canadian municipalities, could the Prime Minister tell us whether the government contemplates reconsidering the matter of the winter works program, especially for the coming winter, with a view to using this program to fight efficiently against unemployment?

Mr. Trudeau: No, Mr. Speaker, we do not contemplate returning to that program.

[Mr. Trudeau.]

There were many protests but also a great number of congratulations from several municipalities which realized that the winter works program had not, in recent years, served its true purpose, that is the productive employment of Canadian workers in centres where the need was the greatest.

[*English*]

SUGGESTED INCREASE IN FEDERAL MINIMUM WAGE PROVISIONS

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I would like to address a question to the right hon. Prime Minister. Since the Prime Minister has stated that he agrees with the finding of the Economic Council of Canada that poverty in Canada is a national disgrace, and since the commission has reported that a great deal of this poverty occurs because people who are working are not receiving sufficient wages to enable them to bring up their families in decency and reasonable comfort, do the Prime Minister and the government intend in the very near future to increase the minimum wage as it applies to industries under federal jurisdiction, particularly as this would be an incentive or an example to the provincial governments?

Right Hon. P.-E. Trudeau (Prime Minister): I will have to ask the Minister of Labour whether he has that under consideration.

Hon. B. S. Mackasey (Minister of Labour): Mr. Speaker, the Minister of Labour is always conscious of the needs of the working man in this country, and will give consideration to the suggestion of the hon. member.

Mr. Hees: Does the Prime Minister in the very near future intend to call a conference with the provincial premiers to discuss this very vital problem?

Mr. Trudeau: The question asked by the hon. member is one relating to wages, costs, prices and incomes. Our attack seeks to ensure that inflation will be curtailed in Canada. We believe this will be the best attack on the problem.

Mr. Hees: Can we take it then that the Prime Minister and his government intend to do absolutely nothing in this regard?

Mr. Speaker: Order.

GRAIN

PROPOSED STEPS TO TRANSPORT AND DRY CURRENT CROP

On the orders of the day:

Mr. Jack Horner (Crowfoot): Mr. Speaker, I have a question for the Minister of Trade and Commerce. Having in mind the recent expensive wage settlement can he assure the house and the country that every effort will be made to get grain moving off the prairies, in view of what apparently will be a very difficult harvest and because it is of the utmost importance that grain begin to move in huge quantities?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): It goes without saying that every effort will be made to get it off. The chairman of the Canadian Wheat Board a few weeks ago indicated that this was a "wheat crisis" situation, and that 175 million bushels had to be put in position for export purposes before the closing of navigation in the seaway. This will be done in the most efficacious and most dynamic way possible.

Hon. D. S. Harkness (Calgary Centre): What steps have been taken or are planned to handle the very large amount of damp grain likely to be harvested in western Canada this year?

Mr. Pepin: I have a list of 16 items, but I think I would be cut off short if I attempted to list them now. The Canadian Wheat Board and private grain firms are at work in every part of the world in an effort to obtain new sales. As everybody knows, we have some difficulty in respect of the implementation of international grain arrangements. A meeting of exporters is taking place at Canberra this week and another meeting will take place in London in a few weeks of the price review commission question. At the same time as we try to protect the price structure, every opportunity is being explored to maximize our sales.

Mr. Harkness: I do not know whether the minister caught the import of my question. I asked what steps have been taken or are being planned in order to handle the large amount of damp grain which is likely to be harvested. In other words, have the interior elevators been cleared so their drying facilities and so on will be available?

Inquiries of the Ministry

Mr. Pepin: I am sorry if I did not catch the purport of the hon. gentleman's question. The drying facilities are mostly at the lakehead, and in the past weeks have not been available because of the strike. I am informed, however, that these facilities will be working on a 24 hour basis now to dry as much grain as possible.

Mr. Horner: Can the minister assure the house that during the long strike and wage negotiations no markets for Canadian wheat were lost?

Mr. Pepin: I cannot give this assurance, because this is an area of psychology. I do not know whether because of the strike some importers decided to buy elsewhere. They will not tell us, anyway. However, I know of no specific case of the specific loss of a market because of that strike.

Mr. Horner: Then, I assume there must have been losses.

[*Later:*]

Hon. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, since the strike at the lakehead tied up all grain movements for 57 days and the same route was also tied up prior thereto by the seaway strike, what special action is contemplated by the Minister of Transport or the Minister of Agriculture to ensure that maximum movement takes place through that channel for export and domestic use until the freeze-up ties up the waterway?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, every effort will be made to see that every available ship is used to transport the maximum amount of grain before freeze-up and to minimize the effects flowing from the strike to the maximum possible extent that weather will allow. We shall also add any days at the end of the season that are feasible.

Mr. John Burton (Regina East): A supplementary question, Mr. Speaker. Is the minister aware that the president of a major shipping line, Mr. Peter Dalgleysh, has advocated the extension of the shipping season at Churchill? Is consideration being given to the extension of the shipping season there in order to facilitate the movement of grain?

Mr. Hellyer: I am not aware of this suggestion but I know that the question of extending the shipping season at Churchill is under study with regard to both the short and the long term, as well as the possibility

of using new icebreaking techniques to assist in extending the season. That matter has been under study by the department for some time and is one of the more interesting research projects that we now have under way.

PUBLIC SERVICE

SUPERANNUATED FEDERAL EMPLOYEES—REQUEST FOR INCREASED PENSIONS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I have a question for the Minister of Finance. Is the government giving consideration to taking early action to increase the pensions of retired civil servants as recommended unanimously by a joint committee of the last parliament?

Hon. E. J. Benson (Minister of Finance): This matter is under continuing consideration by the government. No decision in the matter has been made at this time.

Mr. Knowles: May we expect a decision on the matter in the next few weeks?

Mr. Benson: In due course, Mr. Speaker.

RESEARCH

USE OF SUGGESTED SITE FOR PROPOSED TELESCOPE

On the orders of the day:

Mr. Bruce Howard (Okanagan Boundary): Mr. Speaker, I should like to direct a question to the Minister of Energy, Mines and Resources. What are the government's plans regarding the future use of the Mount Kobau site and the Queen Elizabeth observatory in British Columbia?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, we are consulting universities, government departments and our own astronomers have under very serious consideration a more useful application for this site. Investigations are not yet complete but every effort will be made to find a valid and useful application for it.

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to ask the minister whether he would be prepared to make public these studies by scientists into this program and its discontinuance. Will he make those studies public?

[Mr. Hellyer.]

Mr. Greene: I will consider the hon. member's suggestion.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the minister whether he does not think it essential to keep this instrument in service in order to keep in touch with the high cost of living.

EXTERNAL AFFAIRS

NATO—REVIEW OF POSITION FOLLOWING OCCUPATION OF CZECHOSLOVAKIA

On the orders of the day:

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, in view of the unrest in western Europe over the rape of Czechoslovakia by the Soviet union I should like to ask the Secretary of State for External Affairs whether any action has been taken by the Canadian government to strengthen our commitment to NATO in the interest of restoring world peace?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the Canadian government continues to be a member of NATO and is participating in all the discussions which are taking place in respect of the implications of the invasion of Czechoslovakia. Our position in that respect remains unchanged.

IMMIGRATION

STEPS TO ASSIST REFUGEES FROM CZECHOSLOVAKIA

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, has the Canadian government made arrangements with our embassies in Europe to make sure that the Czechoslovakian people who want to come to Canada may do so easily?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I could answer that question in part, but I think it would be more properly directed to the minister of immigration.

Mr. Fairweather: I would like an answer, and I do not really care who gives it.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, let me assure my hon. friend that special arrangements have been made with all our immigration officers in Europe to treat Czechoslovakian refugees on a priority basis. A

relaxation of procedures has been undertaken so that refugees interested in coming to Canada may be processed as speedily as possible.

Mr. Fairweather: Did these special arrangements include having the embassy in Vienna remain open on Labour day?

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, what special financial arrangements have been made to assist these Czechoslovakian immigrants to come to Canada and to establish themselves here after they arrive?

Mr. MacEachen: Mr. Speaker, special arrangements have been made and we are attempting to treat these refugees as the Canadian government treated Hungarian refugees some years ago. Where necessary financial assistance will be available to help them or to pay their transportation costs and the settling-in costs of these refugees in Canada.

Mr. Harkness: What is the per capita financial assistance that is provided?

Mr. MacEachen: Mr. Speaker, there is no way of determining the per capita amount. Each refugee will have to be treated as an individual case. Normally we would help or pay the transportation costs and their settling-in expenses in Canada, at least until they are able to obtain self sustaining employment. We have not enough experience as yet to know what the per capita cost will be, and I am sure it will vary in individual cases.

Mr. Harkness: Has the minister any idea what length of time this support will continue after the refugees arrive here and until they find employment, learn the language and so forth?

Mr. MacEachen: I do not think it is possible to say how long this will be necessary. We may get a very adaptable group of refugees with a high degree of skills, and it may be in many cases that it will not be necessary to provide any kind of settling-in assistance. I cannot give any estimate of the required length of time.

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to ask the minister whether he is prepared to make available these very generous provisions and the relaxation of the regulations to assist those refugees who have escaped from red China and are now in Hong Kong. Perhaps the minister did not hear my question or does not intend to answer it. Would he like me to rephrase it?

Mr. MacEachen: I have not given that question any consideration as yet.

Mr. Howard (Skeena): Obviously.

Mr. R. N. Thompson (Red Deer): Mr. Speaker, while we are dealing with the subject of Czechoslovakian refugees perhaps I could ask the minister of immigration or the Secretary of State for External Affairs whether the flow of refugees already arriving in Canada includes only those Czechoslovakians who were caught outside that country at the time of the Russian occupation, or whether there are refugees coming now who left after that occupation.

Mr. Sharp: Mr. Speaker, we are prepared to deal with all Czechoslovakian refugees on the same basis. I think the hon. gentleman will also understand that our concern is in respect of the Czechoslovakian people as a whole, including those who got out of the country and those who remain. He must also be aware that we should be very careful in dealing with this question so that we do not in any way prejudice the safety and well being of those Czechoslovaks who cannot get out.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, would the minister of immigration inquire into the allegations that Czechoslovakian refugees who have applied to Canadian offices in Dusseldorf, Cologne and Vienna have been told it will take at least two months before they obtain visas?

Mr. MacEachen: I think this situation may have prevailed before the special instructions went out to all immigration officers. Certainly at the present time there is no justification whatever for this statement being made or for this practice to be followed. It is not necessary to wait that length of time at all.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, would the minister indicate to the house when these special instructions went out to which he has just referred?

Mr. MacEachen: I do not have the date before me, but certainly the instructions went out early last week, just as soon as it was possible to determine the extent of the problem and to examine the procedures

necessary to meet it. These instructions are now in application, and refugees in Europe will be treated under these relaxed provisions.

DOMINION-PROVINCIAL RELATIONS

CHURCHILL, MAN.—NEGOTIATIONS ON DEVELOPMENT OF TOWNSITE

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to ask the Prime Minister whether he is in a position at this time to indicate when representatives of his government will be ready to confer with representatives of the province of Manitoba in relation to the recommended development of the townsite of Churchill, Manitoba?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I talked to the premier of Manitoba quite recently, and I indicated to him as I indicate to the house that I will look into this. It is a new problem for me, but not for the government. We will make sure that any undue red tape is cut away and that the matter is dealt with expeditiously.

TRANSPORT

PRINCE EDWARD ISLAND CAUSEWAY—INQUIRY AS TO PROGRESS

On the orders of the day:

Hon. J. A. MacLean (Malpèque): Mr. Speaker, I should like to address a question to the Minister of Public Works and ask when he will be in a position to make a statement with regard to the progress being made as to means which will be used by the government to honour its commitment to build a causeway to Prince Edward Island.

Some hon. Members: Oh, oh.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I thought the hon. member might have addressed this question to his colleague the hon. member for Hillsborough (Mr. Macquarrie), who I think made a statement on this subject the other day. I want to tell the house that the hon. member for Hillsborough apparently knows more than I do.

Some hon. Members: Hear, hear.

Mr. Coates: What else is new?

Mr. Laing (Vancouver South): I am surprised that hon. members opposite applaud a statement by a member of their party that the project is not being proceeded with. I would assure the house that this matter is under continuing and most intense study in relation to other projects that are contemplated to relieve the economic situation in that area. When a decision is taken, I am quite certain it will be made in this house.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I would ask the minister what he did with McNaughton's bulldozer.

Some hon. Members: Oh, oh.

AIR TRANSPORT

PROTECTION AGAINST PASSENGERS CARRYING WEAPONS

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Transport. In view of the fact that the unpleasant habit of hijacking aircraft has now spread to Canada, would the minister look into the possibility of ensuring that passengers armed with dangerous weapons do not go aboard aircraft?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, this would be extremely difficult to do, but I can assure my hon. friend that all the people concerned about this trend, the air line pilots, the Department of Transport, the air lines themselves and the Canadian Transportation Commission, are continuously monitoring every possible, reasonable step that can be taken in this regard. I think my hon. friend will appreciate the difficulties involved. The people concerned in this sort of situation are usually, in a sense, irrational, and it is very difficult to preconceive all the circumstances under which an incident might arise.

INDIAN AFFAIRS

ATTENDANCE OF MEMBERS OF PARLIAMENT AT CONFERENCES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development. In the light of the conferences which are currently taking place under the Indian Act, which are attended by native Indian people and officials of the Indian affairs branch, will the minister take steps

to ensure that members of parliament interested in this field have an opportunity, officially, to attend these conferences—because parliament will be the body which has to legislate in this respect—in order that they may glean the views of the native people?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, at each of those consultations, I sent an invitation to the members concerned in the province where they were held and I intend to continue inviting all the hon. members of this house to attend the consultations at the provincial level.

[*English*]

Mr. Robert Simpson (Churchill): A supplementary question, Mr. Speaker. I wonder whether the minister would give consideration to the provision and paying of legal counsel for the Indian band representatives attending these meetings.

[*Translation*]

Mr. Chrétien: Mr. Speaker, we are taking all the necessary means to help the Indians be well prepared for those consultations.

As for the consultations now under way, they are the first series. This is an entirely new process for the Indians. We understand their difficulties, but I can assure the hon. member that there will be a second series of consultations and, at that time, the Indians will be still better prepared to contribute to the conferences.

[*English*]

Mr. Simpson: A further supplementary question, Mr. Speaker. I wonder whether the minister could assure the house that this request which I have put forward will be given consideration, and that it will be legal counsel of the Indian people's choice?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I shall examine this possibility.

AIRPORTS

QUEBEC—INQUIRY AS TO CONSTRUCTION IN EASTERN TOWNSHIPS

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, my question is addressed to the Minister of Transport. Could the minister inform the house about an eventual decision of his department as regards the construction of an international airport at Farnham, or in the eastern townships?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I am not yet in a position to indicate to the house which site will be chosen for the international airport. A number of regions were studied by the consulting engineers who were retained for that purpose. They have made their recommendations to the department. More recently we have been in consultation with the provincial government to discuss with them the provision of ground services—for example, the ground transportation—to whatever site might be chosen. These discussions will continue at the technical level, and it is my hope that we can take a decision with respect to the site sometime before the first of December.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have a supplementary question. Could the minister also consider the construction of an international airport at Rouyn-Noranda?

[*English*]

Mr. Speaker: Order, please. Hon. members will notice that I have exercised considerable leniency this morning, but I hope hon. members will not take advantage of the situation to promote the construction of airports in all the constituencies of Canada.

[*Later:*]

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, could the Minister of Transport tell me when construction will begin for the Victoriaville regional airport?

Mr. Speaker: Order. May I suggest that this question be entered first in orders of the day.

[*English*]

GRAIN

REQUEST FOR INCREASE IN CASH ADVANCES

On the orders of the day:

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I should like to

direct my question to the Minister of Agriculture. In view of the fact that western farmers are suffering from a dire shortage of cash due to the low grain marketings, would the minister assure the house that the proposed legislation to provide double the amount of interest free cash advances on farm stored grain will receive top priority in the government's legislative program for this session?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, with regard to the priorities of the government's legislative program, I suppose this question would be more properly directed to the house leader or the Prime Minister. However, I think indications have been given a number of times through the press that this matter does have high priority now.

TRANSPORTATION

CONSIDERATION OF PROBLEMS OF ATLANTIC PROVINCES

On the orders of the day:

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I have a question for the Minister of Transport. Can the minister indicate the government's intentions with regard to the chronic and long time problems relating to transportation in the Atlantic provinces?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, we are concerned with this subject. It is one of very real importance not just to the region involved but to all of Canada. The Canadian Transportation Commission is undertaking studies in relation to the transportation problems of the Atlantic region and I hope they will have a report, at least of an interim nature, perhaps some time later this year.

In addition, we still hope some ideas will be coming forward from the Atlantic premiers. We can discuss later all the ideas which are available, in the hope that we can do something constructive to improve the transportation facilities in that part of the country.

Mr. Coates: A supplementary question, Mr. Speaker. Would the minister indicate whether it is his intention to have the standing committee on transport and communications once again visit the area and receive briefs? Would he also indicate whether the government intends to provide any special assistance with regard to the l.c.l. rates that have been imposed, which are exorbitant and are causing great hardship at the present time to shippers in the Atlantic provinces?

Mr. Hellyer: On the first question, Mr. Speaker, the government's position has not changed in respect of a possible visit of the parliamentary committee to the Atlantic region. This is a matter that will have to be considered by the committee when it is formed and has chosen a chairman. We will be glad to discuss with the committee, through the chairman, what might be done once the committee is formed. With regard to the second question, I am not in a position to comment in detail at this moment.

Mr. James McGrath (St. John's East): Mr. Speaker, I have a supplementary question. Could the minister indicate whether he has received protests regarding the abandonment of the C.N. passenger service in Newfoundland and the decision of the Canadian Transport Commission in relation thereto, and what action is contemplated by the government?

Mr. Hellyer: I have received protests, Mr. Speaker. I think my hon. friend will agree that we all regret the abandonment of passenger services in various parts of the country. This is part of a change in the way of living of our society to which it is difficult to adjust, but my hon. friend will also agree that technological changes are taking place in our society and that the trend is to the greater use of aeroplanes and road transportation. It is also a fact that as the cost of train travel rises and the number of people who use the train service declines, it becomes increasingly impossible to maintain all the services which have been provided in the past. That is the reason, I presume, the Canadian Transport Commission has allowed the abandonment. I regret, as does my hon. friend, the inconvenience caused to some people, but it seems to be part of a trend that is more or less irresistible.

Mr. McGrath: Mr. Speaker, I have another supplementary question. Would the minister give consideration to withholding a decision in this matter until the committee has had a chance to sit in Newfoundland?

Mr. Hellyer: I am not sure I have the power to do that, Mr. Speaker. I think this is a matter for the Canadian Transport Commission. However, I believe this decision is subject to appeal, and to the best of my

knowledge—although I could be wrong—no appeal has been launched up to the present time.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a supplementary question which I wish to direct to the Minister of Transport, asking why only the Newfoundland railway passenger service was discontinued in view of the fact that all C.N. rail passenger services across Canada are costing money. Bearing this in mind, when are plans to be finalized for the discontinuance of railway passenger services in other provinces of Canada?

Mr. Speaker: Order. This question might be considered argumentative.

[*Translation*]

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to direct a question to the hon. Minister of Forestry and Rural Development.

Could the hon. minister inform us of the results of his conversations with the premier of the province of Quebec in June last concerning the Lauzon shipyards?

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, I believe this is public property and was published in the newspapers.

Mr. René Matte (Champlain): Mr. Speaker, has the Prime Minister considered the possibility of applying some Social Credit financial solutions to achieve his just society?

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister.

Could he tell us whether he intends to introduce at an early date legislation providing for the creation of a commission to look after the political appointment of defeated candidates in the next election, as often happens these days?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker—

Mr. Speaker: Order. The question is out of order.

Inquiries of the Ministry

NATIONAL PARKS

QUEBEC—NEGOTIATIONS RESPECTING ESTABLISHMENT

On the orders of the day:

Mr. Gilles Marceau (Lapointe): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development.

Is it true that negotiations are under way at the present time between Quebec and Ottawa, as to the establishment of national parks in the province of Quebec?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I will meet the hon. Minister of Tourism of the province of Quebec, here, next Wednesday, so as to discuss this very important subject.

[*English*]

ARTS, LETTERS AND SCIENCES

REQUEST FOR GRANT BY FOLK ARTS COUNCIL

On the orders of the day:

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Secretary of State whether he is in a position today to announce whether the Treasury Board will support the urgent request of the Canadian Folk Arts Council for a federal grant to travel to Mexico to take part in a cultural program at the Olympic games.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, maybe this question has not been settled to the complete satisfaction of the Folk Arts Council, but the department acted to the best of its ability and knowledge.

[*English*]

VETERANS AFFAIRS

IMPLEMENTATION OF REPORT ON PENSION COMMISSION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to direct a question to the Minister of Veterans Affairs—prefacing it by my congratulations to him on assuming that portfolio—and ask him whether, in view of the serious situation among many veterans, the government proposes to bring in legislation in this session to implement the recommendations of Mr. Justice Woods.

Inquiries of the Ministry

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, I am grateful to the right hon. member for Prince Albert for his kind remarks. Of course I will do my utmost to be worthy of the confidence which has been vested in me, and will work for the welfare of veterans in Canada in a just society.

In reply to his question may I say it is our intention to have the Woods committee report referred to the House of Commons committee on veterans affairs as quickly as possible, and to act on the recommendations of that committee as soon as we receive them.

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, I have a supplementary question. I wish to ask the minister whether he or the government is taking action at this time to provide further funds for veterans under the Veterans Land Act.

Mr. Dubé: Mr. Speaker, the amount made available under the V.L.A. was $74 million, which is 25 per cent more than the average for the past five years. This amount is being taken up very quickly, but we must remember that the veterans will have until 1974 to avail themselves of this fund.

Mr. Stanley Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. When the report of the Woods committee is referred to the veterans affairs committee, will that committee also be given authority to consider the position of those living on the war veterans allowance?

Mr. Dubé: Of course it is up to the house to specify the exact terms of reference which will be made to the committee.

TRADE

PROHIBITION ON SALE OF CANADIAN TURBOT IN U.S.

On the orders of the day:

Mr. James McGrath (St. John's East): I have a question for the Secretary of State for External Affairs. Has the minister made any recommendations to Washington regarding the recent decision of the U.S. government to prohibit the sale of Canadian turbot on the U.S. market under the brand name of Greenland halibut? This represents about $11 million a year to the Canadian fisheries.

Hon. Mitchell Sharp (Secretary of State for External Affairs): I can assure the hon. member that this matter has been very much

[Mr. Diefenbaker.]

engaging the attention of the Department of External Affairs, which has been working on behalf of Canadian producers.

HARBOURS

ROBERTS BANK, B.C.—PROPOSED LOCATION OF RAILWAY LINE

On the orders of the day:

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Minister of Transport. Can he say whether representations have been received from municipalities and other groups in British Columbia protesting the proposed route of the Roberts Bank railroad? If so, what consideration has been given to this matter?

Hon. Paul Hellyer (Minister of Transport): Representations have been received from a number of groups and from a number of British Columbia members of parliament, one of whom was the hon. member for New Westminster. The siting of the proposed railway line is a provincial responsibility in so far as it is a provincial railway being built within a province, and therefore the choice of the site and the responsibility for it comes under the jurisdiction of the provincial government. At the same time I do not think anyone could disclaim interest in this problem, which is of considerable importance to the people in the lower mainland and indeed to all Canadians. I can tell my hon. friend that as late as yesterday, I believe, the two major railways involved have again been in consultation with the local municipalities concerned, and discussions are continuing. I understand also there is now a liaison with the regional planning board for the lower mainland.

HOUSING

INQUIRY AS TO INTRODUCTION OF LEGISLATION

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I have a question to direct to the Minister of Transport in his capacity as minister in charge of housing. In view of the absence of any specific reference to housing in the Speech from the Throne, is he preparing any legislation to put before this session of parliament to deal with the growing housing crisis and the very serious, galloping increases in rents in Canada?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, the conclusion should not be drawn, because there is no reference in the Speech from the Throne, that there will not be legislation dealing with this subject.

Mr. Lewis: This is why I am asking the question.

Mr. Hellyer: I should like to answer it if the hon. member will give me the opportunity. The task force which is beginning its work in Ottawa on Monday will, I hope, report to the Canadian people and to the government of Canada by the end of the year. It is my expectation that following this report legislation will be introduced in parliament, probably in the latter part of this session but hopefully in time to have some influence on next year's construction program.

Mr. Lewis: Will the minister inform the house whether the object of the task force, which I understand from press reports he is heading, is to find some solution to the problem or for the minister to indicate to the people coming before it what his solutions are?

Mr. Hellyer: I am sure my hon. friend would not be so lacking in charity as to believe that this inquiry is not a genuine search for the facts related to this very serious problem in our country, and also to obtain from all interested parties everywhere in Canada all of the ideas they may have in respect of possible solutions. This is the purpose of the task force. If in the process I can make any contributions, along with the other members of the task force, the hon. member can be assured I shall be happy to do so.

Mr. Lewis: May I ask a further supplementary question? In view of the many inquiries undertaken and reports published over the years on this problem, will the minister be kind enough to inform the house what areas of facts he is so ignorant about that he requires a further task force?

Mr. Speaker: Order, please.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I should like to ask the minister about the studies conducted by his predecessor in this field. Is there no information available from these studies that could assist the minister in arriving at a decision on this subject?

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to ask the minister whether he is making any plans, prior to receiving the report of the task force to which reference has been made, to alleviate the very urgent housing situation in Canada, and particularly with regard to the possibility of funds being made available for the conversion of old homes into emergency housing units?

Mr. Hellyer: Every effort is being made to increase the supply of housing, which in the long run is going to be the best solution to the housing crisis. I am sure the hon. member will be pleased to know that the anticipated rate of production this year is going to exceed the government's goal of 175,000 units and may go as high as 185,000 units. This is a step in the right direction, and it includes the whole range of construction from apartment buildings to single family units, reconversions and so on. I think we are making giant steps forward but the need is great and there is more to be done.

[*Later:*]

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I should like to direct a question to the Minister of Transport who is also in charge of housing. Is anything being done about the housing crisis that is facing university students? As the house knows, this is a very serious problem all across Canada, especially at this time of year. Is anything specific being done in this connection?

Mr. Hellyer: Yes, Mr. Speaker. Central Mortgage and Housing Corporation is making loans in the amount of millions of dollars for this purpose.

Mr. Nystrom: A supplementary question. Could the minister indicate whether any students have camped on his lawn in the past few days?

Mr. Hellyer: Many of them.

CONSUMER AFFAIRS

BREAD—REQUEST FOR STEPS TO PREVENT PRICE INCREASE

On the orders of the day:

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs. Has the minister taken or does he propose to take any steps to prevent an increase in the price of bread to Canadian consumers, who are already overburdened by high food costs

while our western granaries are filled to capacity?

Hon. Ron. Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the questions of prices and costs were referred to in the Speech from the Throne. A further statement on these subjects will be made by the Prime Minister.

Mr. Hales: May I ask a supplementary question? Can the Prime Minister advise the house when we may expect this statement?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, consultations have been conducted with our officials and representatives of the provinces. I have also begun consultations with representatives of labour and management. Our aim is to draw up a white paper which will be submitted for consideration as soon as the consultations have proven conclusive one way or the other.

AGRICULTURE

HOGS—REQUEST FOR INCENTIVE TO INCREASE QUALITY

On the orders of the day:

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to ask the Minister of Agriculture whether any consideration has been given to restoring immediately to its former level the bonus on premium grade hogs. If not, is any other form of incentive being considered by which we might encourage the production of quality bacon?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am sure my hon. friend is aware of our new grading procedures for determining high quality hogs. I am sure these will be beneficial in encouraging production of the kind of hog that is most acceptable to the consumer.

MANITOBA—PROVISIONS FOR HARVESTING GRAIN AND POTATOES

On the orders of the day:

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Can he say whether officials of his department are engaged in drawing up contingency programs to be applied in the event the grain and potato harvesting situation in Manitoba worsens?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker. Of course the Department of Agriculture has responsibility for the Board of Grain Commissioners, which in turn administers the terminals at Moose Jaw, Saskatoon, Calgary, Edmonton and Lethbridge. There are in those terminals facilities for drying about 7,000 bushels of grain per hour. We are taking steps now to make sure there is sufficient space around these drying facilities so they can be used if and when they are needed. What we need even more, however, is three or four weeks of bright sunshine, which would obviate the necessity for using these facilities. I can assure my hon. friend that steps are being taken to make the maximum use of the facilities.

[*Translation*]

QUEBEC—INQUIRY AS TO DAIRY POLICY

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker I should like to put a supplementary question to the Minister of Agriculture whom I congratulate on his new appointment.

While the minister is reviewing the western grain policy, could he also consider a dairy policy for eastern Canada and the province of Quebec and let us know about it in the near future?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): We have had consultations with the Canadian Dairy Commission and with many producers in Quebec as well as elsewhere in eastern Canada concerning their particular commodities and problems. As a matter of fact, about a week ago I made a trip to Quebec city and I had interesting discussions with some farmers who were there that evening. As a result I am better acquainted with some of their problems.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, may I direct a supplementary question to the Minister of Agriculture who will easily grasp its meaning since he is a former Social Crediter.

I would like to know if the Minister of Agriculture knows about the matter and if he is now making some arrangements to have the subsidies paid to the milk producers, as they are complaining that they have not received anything since April and it is now almost October.

[*English*]

Mr. Olson: If there are any Quebec producers who are not receiving their payments from the dairy commission, I would be very happy to have the matter investigated if the hon. member would send me the names of the particular producers he has in mind.

FARM MACHINERY

STEPS TO BRING ABOUT PRICE STABILITY

On the orders of the day:

Mr. Paul Yewchuck (Athabasca): Mr. Speaker, I should also like to address my question to the Minister of Agriculture. It concerns the prices of farm products and farm machinery. As the house knows, prices of farm products have not gone up in the past 15 to 20 years to any significant degree; yet prices of farm machinery have more than doubled in that period. Could the minister tell me what specific steps he is taking to introduce some measure of stability in regard to the price of farm machinery so as to enable the farmers to continue their farming operations?

Mr. Speaker: Order. I suggest that this question as asked should be answered by way of a statement on motions rather than by way of an answer at this time.

INDUSTRY

AUTOMOBILES—RENEWAL OF U.S.-CANADA AGREEMENT

On the orders of the day:

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Has the auto pact between Canada and the United States been renewed? If not, is it likely to be?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): It is not necessary for the agreement to be renewed, since it was signed for an indefinite period. What we saw these past few days was a review of the Canada-U.S. agreement, and I feel that the review, as already mentioned, has been concluded to the satisfaction of Canadian producers.

There were talks also between the minister and Canadian manufacturers of automobiles and parts. Those talks are to be resumed at the beginning of next year. This is to make sure that the automobile agreement will bring the best possible results in the best interest of Canadians.

[*English*]

Mr. Broadbent: A supplementary question, Mr. Speaker. In the recent negotiations or discussions did the Canadian government make any effort with the Canadian automotive companies and also with their parent

firms in the United States to bring about, if possible, similar pricing policies on both sides of the border, that is to say, policies established by the companies themselves and not by the dealers?

Mr. Pepin: Mr. Speaker, this is a very broad problem. I was not on my feet at the right time this morning, Mr. Speaker, and I was supposed to table, as I will do on Monday, letters received from the automobile manufacturers in Canada giving me assurance that they fully agree with the spirit of the present operation of the pact and that they intend to continue to do so. I have also said previously to the press that I have received from the three or four most important manufacturers some idea of their intentions for the year 1969. These intentions have been reviewed and have been found satisfactory by the department and the minister. I also met with the auto parts manufacturers and answered most of their questions, I think. In this morning's *Financial Post* they declare that they are optimistic about the future. So I think that the situation in this field is one in which we can all take pride. Pricing policies are not under my control, but I understand that the differential between U.S. and Canadian prices is getting narrower.

Mr. David Lewis (York South): A supplementary question, Mr. Speaker. Would the minister also consider tabling, either on Monday or some day soon, the result of the review of the auto parts agreement which he said had already been concluded? Have there been any changes, etc. and, if so, can we see what they are?

Mr. Pepin: Mr. Speaker, I issued a communiqué about two weeks ago and I will table it at the same time as the letters to which I referred.

EXTERNAL AFFAIRS

NIGERIA—ACCEPTANCE OF INVITATION TO SEND OBSERVER

On the orders of the day:

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I have a question for the Secretary of State for External Affairs. The press reported recently that the Canadian government had received an invitation from the government of Nigeria to send observers to the areas of conflict in that country. Would the minister inform the house whether or not such invitation has been received and, if so,

whether or not the Canadian government intends to send observers?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the Canadian government and the governments of Britain, Poland and Sweden, the United Nations Organization and the Organization for African Unity all received invitations of this kind. As the Prime Minister stated in his press conference yesterday, we have very serious misgivings about this proposal and are not altogether satisfied that the conditions relating to the activities of such observers are adequate for the purpose. We want to be sure that the observer can have freedom of access and so on.

However, acceptances have now been received by the Nigerian federal government from Sweden, Britain and the United Nations Organization, and notwithstanding our misgivings we feel that if there is going to be an international team of this kind we should participate. Its purpose, as the house knows, is to observe the conduct of the military operations and to avoid slaughter if possible.

Therefore, Mr. Speaker, the government has decided in principle to send an observer. He is Major General W. A. Milroy, who is currently commandant of the Canadian land forces command and staff college at Kingston, Ontario. I will be issuing a statement today on the conditions relating to Canadian participation.

TRADE

CORN—REQUEST FOR DUTY AGAINST U.S. IMPORTS

On the orders of the day:

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, I should like to direct a question to the Minister of National Revenue but in his absence perhaps I may direct it to the Minister of Agriculture inasmuch as it concerns both departments. My question relates to the importation of United States corn into southwestern Ontario at the time of our harvest season. I am sure the minister is aware of this situation. What steps are being taken to speed up action by the department concerned to impose protective duties on a temporary basis so that our corn harvest may proceed in an orderly manner?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I do not think the solution is quite as simple as putting up temporary barriers for this harvest season. One of the basic problems with corn marketing in southern Ontario is the need for an orderly system of marketing that will assure the users of this commodity a uniform supply and quality. There is also need to equate the returns on corn to the growers with the requirements of the users including the feeders who, I am sure my hon. friend realizes, must remain competitive in the North American market.

This problem has been under active consideration. I have had two meetings with representatives of the corn producers and we are exploring several suggested ways of dealing with the problem as a result of the market price having been lowered this year.

THE CANADIAN ECONOMY

STEPS TO MEET INCREASE IN COST OF LIVING

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Queensway): Mr. Speaker, my question is addressed to the Minister of Consumer and Corporate Affairs. In view of the continuing rise in the cost of living would the minister say what immediate steps he has in mind to protect the living standards of the consumers, and does he plan to contact the provincial governments in regard to this matter?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the government, as the Prime Minister stated just a few moments ago, is having consultations on the question of prices and costs. In the course of the summer a number of our officials consulted with the provinces on this question.

[*Translation*]

EDUCATION

ST. LEONARD, QUE.—PROTEST AGAINST CHANGES IN LANGUAGE INSTRUCTION

On the orders of the day:

Mr. André Fortin (Lotbinière): Can the Prime Minister tell us whether he considers closed the intervention of the federal government in the matter of St. Léonard?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, as concerns the protection of public liberties, the task will not be over so long as we have not reached our aim: the insertion in the Canadian constitution of a charter of public liberties binding on all levels of government. As regards school matters specifically, the hon. member knows that they do not come under our jurisdiction and that not only is the matter not closed but that it has not yet started.

[*English*]

POST OFFICE DEPARTMENT

PAYMENT UNDER CONTRACTS FOR PERIOD OF STRIKE

On the orders of the day:

Mr. Norman Cafik (Ontario): Mr. Speaker, I wish to direct a question to the Postmaster General. During the time of the postal strike a number of rural mail carriers in my riding who are under contract with the Post Office Department were available for work but did not receive payment. I wonder whether the minister intends to make certain that these people are paid. If not, why not?

Some hon. Members: Hear, hear.

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, obviously any strike affects not only those who go on strike but all those whose operations are affected thereby. An automobile strike affects parts manufacturers, and so on. It is true that those letter carriers, both rural and in city service, who contract to deliver mail were not paid during the time of the strike because there was nothing for them to do. No letters were mailed and no such services were needed.

Some hon. Members: Oh, oh.

Mr. Kierans: Prior to the strike the department advised all those with whom it had contracts that their services would be suspended for the duration of that strike. One good example is the Rod Service strike. The strikers rebelled against the company and the company itself made an *ex gratia* payment. The government will not lose thereby.

Mr. A. D. Hales (Wellington): A supplementary question to the Postmaster General. When the government drew up these contracts with the rural mail carriers was there any provision in them to take care of such a situation?

Mr. Kierans: In the contract there is a clause which says that the Post Office Department can change routes, lengthen them, diminish them or reduce services partially. In these cases there would obviously be a change in the rates of payment.

Mr. Robert Muir (Cape Breton-The Sydneys): A supplementary question, Mr. Speaker. Is the Postmaster General not aware that many of these rural mail carriers were told to stand by? Some of them had to be on call every day. This prevented them from taking other employment. Would the minister also please reply to the letter I sent him some weeks ago on this subject?

Mr. Kierans: We advised all field directors and postmasters to advise those with whom they had contracts that the services they perform would not be needed. In one case in particular the postmaster of an area interpreted the contract badly and we have stood by our responsibilities and undertaken to pay that contractor who was told to be on standby, although we shall do so only when the proof is made available to us.

[*Translation*]

Mr. Gerald Laniel (Beauharnois): Mr. Speaker, I would like to ask the Postmaster General a supplementary question.

Is he aware of a clause in the contracts providing that the Postmaster General will have to give a 50 per cent compensation for breach of contract in case of failure to give three months notice? Consequently, I daresay this clause might allow the department to grant a 50 per cent compensation to the contractors.

Mr. Kierans: That clause does not apply in the case of a strike or in the case of services rendered by contractors, where rural and urban services are concerned. That particular clause applies only when it is decided to cancel the contract.

Mr. Laniel: Mr. Speaker, I wish to put a supplementary question.

In my opinion, the notice which was sent by the Post Office Department to the contractors for a discontinuance of service, represents all the same a temporary breach of contract.

Mr. Speaker: Order. This has developed into an argument, a debate.

AGRICULTURE

REQUEST FOR PRIORITY FOR SHIPMENTS OF EASTERN FEED GRAINS

On the orders of the day:

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I wish to put a question to the Minister of Agriculture.

In view of the feed grain harvest in eastern Canada, has the minister agreed to grant priority to the transportation of livestock feed grain to eastern Canada?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am not sure how much grain the Canadian Feed Grain Board had to bring into eastern Canada by rail while the strike was on at the Lakehead but I know they were taking steps to make certain that a sufficient quantity of feed grain was on hand to meet immediate requirements. They have also advised me that they are taking steps to make sure that sufficient quantities are in position to take care of the ensuing feeding season.

Mr. Speaker: Orders of the day.

Mr. Macdonald (Rosedale): On a point of order, Mr. Speaker, in view of the time and considering that the house would normally rise at one o'clock, I think there might be general agreement in the house not to rise at one but to permit the hon. gentlemen to complete their customary speeches even though that may mean that we sit beyond the customary hour of rising. Perhaps that could be made an order of the house.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

[*Translation*]

SPEECH FROM THE THRONE

ADDRESS IN REPLY, MOVED BY MR. EYMARD CORBIN AND SECONDED BY MR. LEN MARCHAND

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

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, first of all I wish to congratulate you on your election as Speaker of the house. The remarks made yesterday by the right hon. Prime Minister Mr. Trudeau, by the hon. Leader of the Official Opposition (Mr. Stanfield) and by the leaders of the other parties showed beyond any doubt that you will have the wholehearted support of the members of this house in the discharge of your duties.

Mr. Speaker, the honour which is mine in moving the Address in Reply to the Speech from the Throne is reflected upon the proud population of Madawaska-Victoria, which I represent here, and upon the whole of New Brunswick. I therefore thank my colleagues for the welcome they gave me.

[Mr. Dumont.]

The right hon. Prime Minister probably entrusted me with this task partly as a result of the warm welcome which he received in June from the people of my riding. He was only the second prime minister of Canada to come to Edmundston to meet the constituents; the first one was Sir Wilfrid Laurier, at the end of the last century. I wish to join my colleagues and my constituents in congratulating the right hon. Prime Minister on his victory and that of the Liberal party at the June 25 election.

The number of new people and young faces which we see for the first time in the house today makes us realize that the June election brought about a welcome rejuvenation in Canadian politics. This perhaps establishes a precedent, but it is also a sure sign that Canadians of all ages are anxious to take an active interest in the affairs of the country. I think that the youth of our Prime Minister, his dynamic personality, his tenacity, and the courage with which he faces our many problems as well as the sincere determination of the members of his cabinet to work for the country have given us a new confidence in Canada as it enters into its second century.

I must also offer my best wishes to the hon. leader of the official opposition and congratulate him upon his personal victory. I am sure that I will find in him a good colleague from the maritimes.

Allow me, on behalf of my colleagues from New Brunswick, to congratulate my predecessor who represented Madawaska-Restigouche for six years and is our new Minister of Veterans Affairs (Mr. Dubé). I am pleased also to call attention to the presence among us of the young 23-year-old member for Gloucester (Mr. Breau) who inherited the riding from the former minister of fisheries (Mr. Robichaud) who is now sitting in the other place.

Mr. Speaker, the short time at my disposal does not allow me to praise my riding as I would like to do. I will therefore summarize my thoughts in words used so many times by other hon. members in praise of their own ridings and fellow citizens: "You could not find a more beautiful region in the whole of Canada."

My riding is adjacent both to the American border and the Quebec provincial borders, so that we do not think of ourselves as being

ordinary Canadians and we often pride ourselves on living in the "Republic of Madawaska", without pretending however to an international mission or role. We have very cordial relations with the Americans of the state of Maine. On the other hand, a high percentage of our people comes from the province of Quebec, and we are fortunate to maintain excellent relations with these neighbours as well.

One factor which contributes greatly to a Canadian-American rapprochement in the "land of Madawaska" is, besides three international bridges, a ubiquitous American television station with its network of retransmitting stations, broadcasting its programs from the other shore of the St. John river. We are lucky to be able to enjoy that service and it often happens, however paradoxical it may seem, that my fellow-citizens are better informed of events taking place in Portland or in Washington than of those occurring in the national or in the provincial capital.

Such a condition can be explained by a lack of a reliable service provided by a far-reaching French-Canadian television station. There is a good national English network service. We are not complaining about that. But in a constituency where 80 per cent of the population is of French origin and culture and is French-speaking, we must admit that we are far from being satisfied with the French television service at the present time.

There would be several possible solutions, but I will not bother you with that to-day.

What must be well understood in the first place is that the French language television services in Madawaska-Victoria and in New Brunswick are generally inadequate, if not downright disappointing. Considering the justifiable complaints received for more than 12 years from the French population all over New Brunswick, we shall soon have to find a solution acceptable to the majority. Perhaps it will not surprise you either, Mr. Speaker, to hear that in New Brunswick an ever growing number of English-speaking citizens would really like to enjoy the French culture and the French language. In fact as far as the citizens of New Brunswick are concerned, I believe this would give a real boost to national unity.

Hearings by the Canadian Radio Television Council are to be held soon on that point in Moncton and we trust that a remedy to this situation will at last be found.

With regard to present modes of communication between Madawaska-Victoria and the rest of Canada, one must say that the situation has not evolved very much since 1867 compared with the rest of the country. The railroad remains the best mode of transport between Edmundston and Quebec, Montreal, Toronto and Halifax. There is a total lack of air transport. Still, we look more and more to this mode of transport to alleviate our isolation.

On the other hand, the planned corridor road to the neighbouring state of Maine, between the south of New Brunswick and the eastern townships in Quebec, would not likely help our regional economy. The individuals or groups supporting the construction of this route are in earnest about the success of this project, but I oppose it with all my might and I am convinced that my colleague for Temiscouata (Mr. Gendron) agrees wholeheartedly with me in this regard. The so-called Maine corridor-route would indeed be detrimental to the economy of Madawaska-Victoria, to that of northern New Brunswick, of Temiscouata, and all the people settled along the traditional line of communicaiotn between the Maritimes and the heart of Canada would be harmed. If there is a transportation problem in the Maritimes, and we all agree there is, it should be worked out through a Canadian solution.

• (12:30 p.m.)

[*English*]

I wish to take this opportunity to say how proud I am to represent the Indians of my riding. There are two Indian bands in Madawaska-Victoria. The largest, and perhaps the most progressive of all the Indian communities in the maritimes, is located at Tobique; a much smaller band of Maliseets is located near my home in Edmundston. It had been my intention to talk about some of the very real problems affecting the social evolution of the Indians of New Brunswick, but these problems are not specific to our area. Furthermore, since the seconder of the address, the hon. member for Kamloops-Cariboo (Mr. Marchand), is himself privileged to be a descendant of Canada's first citizens, and the first Canadian Indian to sit in this house, I feel he is most qualified to speak on the subject and I have no hesitation in declaring that the Indians of Canada will have a strong voice to speak on their behalf.

[*Translation*]

Mr. Speaker, I welcome with a great deal of satisfaction and a deep gratitude, the proposed reform of the Official Languages of

Canada Act which is mentioned in the Speech from the Throne. That new Official Languages Act will be based on certain recommendations of the royal commission on bilingualism and biculturalism of which the late Mr. André Laurendeau was one of the architects. I never met Mr. Laurendeau but I always read his columns with a great deal of interest. The man is gone but his spirit remains. I am confident that the new legislation on the official languages of Canada will further strengthen our national unity and will bridge the few gaps brought about by repeated attacks against our federative system. It is in that sense that I am especially happy to read in the Speech from the Throne that constitutional reforms remain the best long-term guarantee of Canadian unity and that discussions with the provinces will continue in that direction.

Those statements, Mr. Speaker, were quite warmly welcomed by French-speaking residents in New Brunswick. The contents of the Speech from the Throne are, no doubt, also comforting for all the French Canadians living outside Quebec. It is desirable that English-speaking people living within majority French-speaking groups may also be able to avail themselves of all the benefits provided to them by this new legislation.

Some hon. Members: Hear, hear.

Mr. Corbin: I represent here the English element of Madawaska-Victoria. Already, I know that my English-speaking constituents approve these projected reforms, which guarantee their own rights as well as those of the French language. It is in this direction that we want to advance in New Brunswick and in Canada. We had to wait a long time for such reforms, but are happy to see that they will finally be seriously submitted to the house.

I have given special attention to the recent statements of the right hon. Prime Minister to the effect that regional economic disparities may threaten national unity, as much as our linguistic and cultural differences.

• (12:40 p.m.)

Those are true words for us in the Maritimes who are looking forward to moving again towards the benefits of a just Canadian society and of a prosperous national economy.

We all noticed in the Speech from the Throne these words emphasizing the necessity of taking fundamental steps toward the betterment and welfare of the Canadian people, the straightening out of possible deviations, the redeeming of sins of omission and the atoning of past mistakes so as to give every citizen an equal opportunity.

I have not yet had the chance to learn about regional problems throughout Canada, but the presence here of members from every part of the country will give me this opportunity. The fact remains however that the economy of the Atlantic region is greatly in need of help, above and beyond anything that has been done for it so far. We shall not be necessarily satisfied with new programs. It is quite possible that rectifying mistakes might bring about more quickly that just society so greatly desired by Canadians and of which this government gives us the assurance.

There has developed in our riding of Madawaska-Victoria in particular, as well as in other regions of Canada, in the last several years, an attitude which I call one of stretched out hands to the government. That way of life has met with the disapproval of many citizens. I am not discussing here the necessity and the real value of numerous public programs of social welfare in which several levels of government take part but I see to what extent an important sector of the population—not to say whole regions—has become completely dependent on the government.

We are really privileged to live in a country which can afford such programs in the first place. But one knows to what extent abuse and dependence on social welfare programs can lead to a real deterioration of human activity and how such abuse shows scorn for those who earn their daily bread by the sweat of their brow. That is why we must continue to search together for solutions such as, for instance, the retraining of manpower and other similar measures bringing about tangible and lasting results.

To face this problem, a group of well-informed and far-sighted men set up in my riding, hardly three years ago, a regional development council for north-western New Brunswick (CRANO). Farming has been rapidly outdistanced in the last decades by the tremendous improvement of technology and weakened, as everywhere else in Canada, by the ever-increasing problems of marketing, which put small farms out of business.

CRANO is now considering all areas of economic activity in the designated areas and defining a development plan which will have

far-reaching effects if it can be implemented. Of that, I am quite sure.

Just to give you an example, CRANO is endeavouring to create a touristic industry, since the geographical attractions have remained so far utterly unexploited. In this connection, an important touristic project looks auspicious at Grand Falls, in Victoria county, and our citizens are very seriously considering other sites.

We are dealing, Mr. Speaker, with people anxious to study the best ways to better their condition. These people do not want to rely any more on government's charity alone. They have shown up to this day their desire and their ability to assume their own responsibilities. Their action will, in the end, reduce considerably the number of people depending on social welfare.

[*English*]

Mr. Speaker, I am Canadian, first and foremost. I belong to that generation, still young, born between the great depression and the second world war. It is with a very deep sense of concern that I sit in this house with colleagues devoted to the growth and the unity of our country. I feel a certain apprehension before the enormous task that lies ahead, and yet we must now get down to serious work.

[*Translation*]

Before coming to this house, Mr. Speaker, I worked as a newspaperman. I have always found that journalists and politicians both play a very significant role in the general guidance of public opinion and the common weal. Journalists must concern themselves with telling the facts and commenting them in the light of the people and events affected by them. Politicians and political decisions are quite often at the centre of things. To gain favour with the public, politicians and journalists must be mainly concerned with having a highly developed respect for truth, not always an easy thing nowadays.

However, it is with such an attitude and frame of mind that I wish to represent my constituents of Madawaska-Victoria and to work in the general interests of my country. Besides I can not see how, in the present situation, what would be good for Madawaska-Victoria would not also be good for Canada as a whole.

The Address—Mr. Len Marchand

Before I yield to the hon. member for Kamloops-Cariboo (Mr. Marchand) and with his support, I move:

That the following Address be presented to His Excellency the Governor General of Canada:

To His Excellency the Right Hon. Roland Michener, Chancellor and Principal Companion of the Order of Canada, who was awarded the Canadian Forces' Decoration, Governor General and Commander-in-Chief of Canada.

May it please Your Excellency:

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

• (12:50 p.m.)

[*English*]

Mr. Speaker: The hon. member for Kamloops-Cariboo.

Mr. Len Marchand (Kamloops-Cariboo): Mr. Speaker, I wish to thank the hon. members of this house for the warm welcome they have extended to me. I am deeply conscious of the honour that has been paid to me in being allowed to speak at this time, an honour shared by my family and my constituents. I should like to thank the Prime Minister (Mr. Trudeau) and his Cabinet colleagues for extending it to me.

Canada has seen many changes in the years since confederation. There have been many changes in society and many changes in government; but there is a special significance in the change brought about by the last election. We have now our first prime minister who was born in this century, a man who may very well be the agency through which Sir Wilfrid Laurier's famous phrase that the twentieth century belongs to Canada may come true. In any case, Canada now truly belongs to the twentieth century.

Our new Prime Minister has shown that Canadians who are dedicated to purposes beyond their own selfish ends can rise rapidly in public life. He has shown that Canadian people will respond to a challenge when that challenge is made clear to them. His career is a demonstration of what we have all known; that in Canada there are thousands, millions of people who believe in the destiny of our land, who believe that we can live together as civilized people, and who believe that we can overcome the barriers of the past—the barriers of language and of prejudice, barriers set up in too many places, and barriers which may hold back those who are not of the majority.

Here in Canada we may seek our goals and, so long as they are not in conflict with the public good, we are free to press onward. When the Prime Minister came to my riding of Kamloops-Cariboo he spoke to the people as though he had known them all his life, and they responded as though they had known him all their lives. Indeed in a certain sense they had, for he is to us all the exemplification of all the best that is present in the Canadian people and of all that is good in Canadian education. He is a man of many talents, a man for all seasons, a man of his times, and above all a man for his country and his countrymen. I am proud that my party, the Liberal party, has found this man who so specially meets the needs of our country, a man who has the special qualifications to meet the problems of today.

There is another historic point this session. We have, for the first time, a Speaker elected on a non-party basis. Mr. Speaker, I congratulate you, sir, for you have richly earned the confidence of the house.

Some hon. Members: Hear, hear.

Mr. Marchand (Kamloops-Cariboo): I have watched Mr. Speaker from another part of the house many times. I was going to say from up above, but perhaps it might have providential implications. He has always shown unfailing courtesy, tact and wisdom; he has brought the house through many a tricky and sometimes difficult situation. This promises to be a great parliament, a parliament with many challenges, many problems, much work and much to do, but with a great deal of capability to meet the challenges of the times ahead.

Mr. Speaker, as you know, I represent the riding of Kamloops-Cariboo. I am conscious that this part of British Columbia has returned great men to parliament. I am conscious that I am taking the place of a great parliamentarian, a man of whom my constituents have been justly proud.

Some hon. Members: Hear, hear.

Mr. Marchand (Kamloops-Cariboo): I hope I can fulfil the expectations of those who supported me, for there were many of them. As I stand here today to speak on behalf of all persuasions in my constituency I am mindful of the obligation and responsibility I have accepted. My constituency is large; it is a rich and varied part of a great and prosperous country; it has within it mines, forests, people engaged in the raising of cattle, sports fishing, hunting and recreational areas unsurpassed in all of Canada.

The natural wealth of this area is being developed by people who have the virtues which made it possible for Canada to be the country it is. Within the borders of my riding lies the first settlement in the interior of British Columbia, the site of the gold rush of the 1850's which began the real development of that great province. The spirit of those who came first, of those who opened that country, lives on in the hearts of the people today; not the greed which sometimes drove man to the goldfields but the courage, perseverance and the will to endure that enabled man to press on through the unexplored wilderness and make his home. My ancestors were there to greet them.

Some hon. Members: Hear, hear.

Mr. Marchand (Kamloops-Cariboo): Working together the people have created a vigorous community, a community of people who are not afraid of the future, people who believe in Canada and who love it deeply.

There are in British Columbia abundant natural resources. These are richly rewarding, not just to those who work directly to develop them but to all Canada. Although they are rich and although they are abundant, these resources require wise management. They must not be torn from their natural setting with no thought for another day.

• (1:00 p.m.)

If we are to continue with our prosperous life, our resources must be developed and used for the maximum benefit today, as well as the maximum long term benefit. This means planning. This means direction and leadership so that the planning will be in the best interests of all. We have abundant water in Kamloops-Cariboo, but others are not so fortunate. To divert and use this water without adequate planning would serve no one. The only way to benefit all who depend upon this resource is to plan the use in the best interest of the area affected. It is self-evident from our over-all abundance that the needs of Canadians can be fulfilled. It is equally self-evident that in fulfilling these needs we must consider future needs, which may not always be clear without full study.

I am confident the government will show the way by continuing the work of the water resources branch of the Department of Energy, Mines and Resources. I am confident that

the government will provide the way by continuing the regional planning and resource use studies which have been so helpful in recent years. With the security of knowing that the best advice possible has been obtained, resource use can be planned in the best interests of all.

This planning must extend to other matters than the use of our resources. It must extend to the future of our economy so that the capabilities of the people are utilized to the best possible extent. An example of the planned benefits which can assist an area can be found in the extension of assistance to truck haulers who bring feed grains into British Columbia. This has meant that the cattle rancher is no longer only a herdsman, but can now get the maximum from his herd. He can fatten his stock and prepare it for the marketplace.

In my riding there is unexcelled range land. The hills and valleys are excellent for raising animals. With the opportunities now available the feed lots will expand and Kamloops will become one of the important areas providing meat for Canadian tables. I hope that members will not misjudge me when I say that the sun-soaked Thompson valley, the wooded north Thompson and the upper reaches of the Fraser make the finest and best riding a member can have the honour to represent.

The people who live in this area are Canadians with all the virtues and defects that other Canadians share. We are no different from others, and we are first of all Canadians. Most are English speaking, at least that is their primary language in day to day life. However, when the Prime Minister spoke to them, partly in French, they cheered. Many of them have told me they intend to learn to speak French. They want to make their fellow Canadians from any part of Canada feel at home when they come to visit, and they want to feel at home in any part of Canada they visit.

These do not seem to be extravagant demands. In fact they seem small. If we can approach our problem of unity in this spirit, other problems can be solved. And they can be solved by the good will of the people, because the people insist that this is one country with two official languages. This country contains divers peoples, some of whom speak French, some of whom speak English and some who speak other languages. Some of them speak Cree and some speak Shuswap, but all are Canadians. I said that when the people heard their Prime Minister speak French they cheered. They cheered even though few understood what was being said; they cheered because his message came from the heart and they recognized this. With this spirit who could say we cannot solve our problems?

Among our problems are those which concern the Indian people. I am the first Indian to sit as a member in this house and I am conscious of my responsibilities. I recognize that the people of Kamloops-Cariboo did not send me here to represent only a segment of that population. I know I must strive on behalf of all my constituents. However, I have an obligation which I could not escape if I wished to, and that is my obligation to my fellow Indians. I am an Indian who is a member of parliament. I am not just the Indian people's member; but I must speak as well on their behalf.

Hon. members know that the situation of many Indian families is deplorable. We all know that in respect of income, standards of health and living conditions many Indian people are below that standard of acceptability in this country. They are isolated from their fellow Canadians and they are shut off from many aspects of Canadian life. I do not think that racial discrimination is a factor. In view of the honour the people of Kamloops-Cariboo have paid me how could I feel otherwise? It is just a cruel historical fact of life beyond the control of the Indian people. The efforts to bring them into the world of today and to their rightful place in Canada must continue.

I must pay tribute to the right hon. gentleman who sits on the opposite side of the house and who is responsible for extending the right to vote to my fellow Indians and myself. This was a recognition of a people who needed to be recognized and who needed the assurance that they were not forgotten.

I should like also to pay tribute to the former prime minister, Mr. Pearson. It was during his term of office that the Indian people began to move ahead as they had not moved ahead before. The former minister of Indian affairs, now the Minister of Public Works (Mr. Laing) and the former prime minister did more to help the Indian people than has been done in any comparable period of Canadian history; and the Indian people responded. The last two prime ministers initiated many programs on behalf of the Indians. I know this work will continue and will become more effective in the years ahead.

I would like also to pay tribute to another former minister, Hon. J. R. Nicholson, now Lieutenant-Governor of British Columbia. I should like to wish him well in his new duties.

Let me also make reference to some of the great work done by two former members of this house who have gone on to the happy hunting ground, Hon. Guy Favreau and Hon. René Tremblay. Much of this great work that was done during Mr. Pearson's régime, was started when these men were in office.

The cost of neglecting this social problem, left unsolved for too long, is very great. This cost in terms of unproductive lives and misery is more than Canada can afford. I have confidence in the present Minister of Indian Affairs and Northern Development (Mr. Chrétien). He is a man with much human understanding. I have confidence that he will do his utmost with the resources parliament makes available to ameliorate and eventually repair this damage to that part of Canadian fabric. I have confidence as well that the Indian people will respond.

Indians are a proud race. We have much in our past of which we are proud. Our culture can make an even greater contribution to Canada than the very considerable one it has already made. There is much about Indian life that is good and there is much for Canadians to learn about it. We have been held back but we are on the move today.

Consultations are now taking place with the Indian people to determine their views about the kind of Indian Act they believe will work best in their own communities. The fact that they are being consulted on such a scale and to such depth augurs well for the future. I do not believe that any country has ever before made the attempt to ascertain so thoroughly the needs of a group of people as has been the case during these discussions. Meetings have been held in the Northwest Territories, the maritimes and Ontario, and next week a team will meet with the spokesmen for the Indians of Saskatchewan. I believe that very few understand how much this means to the Indians. We can speak at those meetings of the effect of the Indian Act on our own communities, and we have an opportunity to explain the needs and the aspirations of our people. Parliament will be better prepared to debate this Indian Act than it has ever been. There is an urgency here and I hope the new act will not be long delayed.

Not all our problems can be solved by the passing of an act by parliament. If they could, I am sure most of them would long since have been remedied. The solution to the problems of the Indian people will require a combination of effort on the part of all levels of government, of all Canadians including the Indians. With the available resources, this government has shown ample signs of being willing and ready to supply help. I believe Canadians will help when shown what is wanted of them, and the Indian people are showing many signs of their willingness to do their share. Ultimately it will be the efforts of the Indian people that will result in the solution of their problems. Ultimately it will be the Indian people, striving to overcome the barriers, who will make a solution possible.

Mr. Speaker, I hope it will always be possible for me to speak on behalf of my constituents and on behalf of the Indian people. I hope it will be possible for me to discharge both my obligations, for I am very conscious of them.

• (1:10 p.m.)

It is not important to the house that a member is, or is not, an Indian. It is not really important to the people of my riding whether I am Indian or not. It is important to the Indian people to know that one of us can become a member.

Some hon. Members: Hear, hear.

Mr. Marchand (Kamloops-Cariboo): It is important for the younger Indians who are in school and at university to know that, with reasonable hope, they can aspire to become whatever they wish to become and are capable of becoming. It is important for all Canada to know that this is not a land of bigotry and prejudice. It is important for all Canadians to keep it that way.

Although the Indian people once held all this land and now have but little of it, although the Indian once was the master of his environment and is no longer, it is less than helpful to repine for a past that is gone; it is less than useful to yearn for other times when things were different. No one can turn back the clock. The useful, the important and the right thing to do is to master the environment that is. The younger Indian is using the opportunities provided for his schooling. He is taking advantage of education and of

training programs so that he can become economically independent. He is looking ahead, not looking over his shoulder at the past. In doing so, he is not giving up any of his Indian heritage. He is making that heritage into a useful instrument for living in the world of today. He is applying the good things of the past to the problems of the present to make a better future.

In this we are no different from others. All Canadians are looking forward, looking ahead into the brave world of tomorrow. We have confidence that we can solve the problems that face us, confidence in our ability to repair the damaged fabric of society.

Mr. Speaker, I am sure every member of the house agrees that Canadians today, English speaking Canadians, French speaking Canadians, Indian Canadians, every kind of Canadian—all of us are looking ahead with the confidence born of a certainty that our country is capable of doing what has to be done, of correcting the defects of today to make a world in which we can be even prouder of being what we all are, Canadians, living in a great and fine land, a land which has much to offer the world, a land which has some problems but none that cannot be solved.

[*Translation*]

I wish I could speak French as well as my hon. friend from Madawaska-Victoria (Mr. Corbin) spoke English. Although my name is Marchand, I do not speak French very well.

[*English*]

Some hon. Members: Hear, hear.

Mr. Marchand (Kamloops-Cariboo): With those words, Mr. Speaker, I take great pleasure in seconding the speech of His Excellency the Governor General so eloquently and graciously delivered yesterday.

On motion of Mr. Stanfield the debate was adjourned.

On motion of Mr. Macdonald (Rosedale) the house adjourned at 1.17 p.m.

HOUSE OF COMMONS

Monday, September 16, 1968

The house met at 2.30 p.m.

[*Translation*]

PRIVILEGE

MR. MONGRAIN—DISPOSITION OF CHARGE AGAINST FORMER MINISTER

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I rise on a question of privilege. I beg your indulgence and I assure you that I shall be very brief.

On Tuesday, February 16, 1965, the Right Honourable Lester B. Pearson made, in the house, a rather long statement, and I shall quote only one paragraph or two as follows:

> In December of 1964, certain evidence was submitted to me regarding allegations involving the hon. member for St. Jean-Iberville-Napierville. These allegations were in connection with certain transactions in which it was alleged he was a participant during the year 1961. They were not related to his membership of this house or of the government. I saw the hon. member and advised him that the evidence submitted required an investigation. To this he agreed.
>
> I spoke to the hon. member for St. Jean-Iberville-Napierville again on Wednesday, January 20, after I had been shown a preliminary report on the investigation into the matters in question. It appeared to me, as a result of having that preliminary report, that it would be best in all circumstances, and without prejudging the conclusion of the matter, for the hon. member to cease to be a member of the government. After discussing the matter with me, Mr. Dupuis submitted his resignation, which was accepted.

On the same day, the member of the Privy Council concerned stated as follows:

> Mr. Speaker, if I have agreed to send my resignation to the right hon. Prime Minister, it is somewhat because I could foresee that some newspapers were ready to indulge in falsehoods about me, as I have mentioned earlier. I did not want those rumours and aspersions cast upon me to reflect on the cabinet, of which I was a member.

After a trial, the conclusions of which were not happy, the hon. Yvon Dupuis appealed the decision and the hon. Justice Montgomery ruled as follows:

> Under the circumstances, I would maintain the appeal and acquit Appellant.

Hon. Justice Taschereau in turn said:

> I agree with my colleagues and for the reasons they give, I would quash the verdict of guilty passed against the Appellant.

On the other hand, Mr. Justice Owen said—

Mr. Speaker: Would the hon. member be so good as to state his question of privilege before the house?

Mr. Mongrain: I am coming to that, Mr. Speaker, and that is why I had asked for your indulgence.

There is a question of Christian charity and respect for this house and for the Privy Council. Since this matter was officially reported in *Hansard* on July 16, 1965, I thought it proper, for the reasons which I have just mentioned, that this house should be apprised of the conclusion of this matter and that it should be recorded in *Hansard*, in order to safeguard the honour of this house and of all the members of the Privy Council as well as that of the family of the hon. Yvon Dupuis.

Mr. Speaker: I take the liberty of quoting to the hon. member and all the other hon. members, section 113 of Beauchesne's *Parliamentary rules and forms*, fourth edition. It reads as follows:

> A question of privilege ought rarely to come up in parliament. It should be dealt with by a motion giving the house power to impose a reparation or apply a remedy. There are privileges of the house as well as of members individually.

The hon. member did not follow up his question of privilege with a motion, and it does not seem to me that the privileges of the house or those of members individually are affected in the situation which was referred to by the hon. member for Trois-Rivières. Therefore, I have to tell him that his question of privilege, as such, is not in order.

INDUSTRY

TABLING OF DOCUMENTS RESPECTING AUTOMOBILE AGREEMENT

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I should like to table, in English and in French, letters which I received from the presidents of the three most important Canadian automotive companies.

Furthermore, in reply to a question of the hon. member for York South, (Mr. Lewis), I should like to table the press release issued by the Department of Industry, following

recent talks with the United States with regard to the Canada-U.S. automobile agreement.

• (2:40 p.m.)

[*English*]

Mr. Speaker: Has the minister leave to table these documents?

Some hon. Members: Agreed.

HOUSE OF COMMONS

INTRODUCTION OF ALL BILLS IN BILINGUAL FORM

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, Your Honour will recall that on Friday last the house agreed to an order for the purpose of having government bills printed in bilingual form. In order that the practice of printing may be uniform in the case of all bills before the house, I ask leave to have the following order made at this time:

That, until otherwise ordered, private and public bills introduced by members of this house shall be printed in a bilingual form.

Mr. Speaker: Has the minister leave to submit this motion to the house at this time?

Some hon. Members: Agreed.

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

Motion agreed to.

BUSINESS OF THE HOUSE

GOVERNMENT NOTICES OF MOTIONS TO BE CONSIDERED IN COMMITTEE AT NEXT SITTING

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, in view of the fact that there are ten government notices of motion on the order paper today, may I be permitted to introduce a resolution to deal with all ten so they might be approved as a group?

Mr. Speaker: Is that agreeable?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale) moved:

That the house do go into committee of the whole at its next sitting to consider the several proposed resolutions which have been recommended to the house by His Excellency and which stand on today's order paper in the names of the Prime Minister, the Postmaster General, the Minister of Finance, the Minister of Agriculture, the Minister of Trade and Commerce, the Minister of Justice, the Minister of Transport and the Minister of Veterans' Affairs respectively.

Motion agreed to.

EDUCATION

TORONTO—REFUSAL TO SHARE COST OF INSTRUCTION TO IMMIGRANT CHILDREN

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Minister of Manpower and Immigration whether there is any change in the position of the government as announced by his predecessor in refusing to share in the cost of special English language instruction for immigrant children in the City of Toronto.

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I should like to consider the decision taken by my predecessor. I shall be happy to give an answer at a later date.

Mr. Stanfield: Would the minister indicate when we might expect a decision on this matter?

Mr. MacEachen: Just as soon as I have had an opportunity to consider the question I shall bring an answer to the house.

INCOME TAX

REPORTED AVOIDANCE PLAN BY NEWFOUNDLAND COMPANY

On the orders of the day:

Mr. Max Saltsman (Waterloo): I should like to direct a question to the Minister of Finance and ask whether his attention has been drawn to charges made in the publication *Canadian Petroleum* to the effect that the Shaheen Natural Resources Company and Newfoundland Premier Joseph Smallwood have joined forces to avoid federal income tax.

Hon. E. J. Benson (Minister of Finance): This particular question has arisen not only with respect to the company mentioned but with respect to several other companies as well, and we are presently examining the situation to determine whether they are taxable under present tax legislation, something which I am informed is not definite at this particular time.

Mr. Saltsman: As a supplementary question, can the minister inform the house when his investigations will be concluded? Can we have an answer to that question?

Mr. Benson: Mr. Speaker, these will be concluded soon. I should point out, however, that none of these companies have had taxable income to this point, to my knowledge.

[*Translation*]

TRANSPORT

PRINCE EDWARD ISLAND CAUSEWAY—INQUIRY AS TO PROGRESS

On the order of the day:

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I had the pleasure yesterday of being in the small but most beautiful province in Canada, namely Prince Edward Island, and I should like to direct a question to the Prime Minister.

The government has spoken of a causeway, an access road, from the mainland to Prince Edward Island, but the province is hearing nothing more about it. Does the government intend to proceed with the causeway, and could the Prime Minister tell the house whether this project appears on the list of government priorities?

Mr. Speaker: I believe I should remind the honourable member that this question was asked last week, and I do not believe it is in order at this time.

[*English*]

HOUSE OF COMMONS

INQUIRY AS TO CONSIDERATION OF PROCEDURAL REFORMS

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the President of the Privy Council in his capacity as government house leader. Would the hon. gentleman be good enough to indicate the earliest possible date at which the house could discuss interim procedural arrangements to cover the first part of this session, including the means to bring forward reforms of a permanent nature?

Hon. Donald S. Macdonald (President of the Privy Council): Well, Mr. Speaker, it would be our wish and indeed we would be quite agreeable to the suggestion that the provisional interim rules be brought forward for application at an early date and subject to an earlier time limit as suggested by the hon. member. I have been considering the proposals we have made, and also considering the hon. member's reply to my proposal. I hope to have an opportunity to discuss with him and other house leaders a régime for dealing with both the interim and long range rules.

An hon. Member: Régime?

Mr. Stanley Knowles (Winnipeg North Centre): As a supplementary question, Mr. Speaker, do I take it from what the President of the Privy Council has just said that there will be an early resumption of meetings of the house leaders to deal with this matter?

Mr. Macdonald (Rosedale): I am looking forward to that possibility, Mr. Speaker.

INDUSTRY

POSSIBLE EFFECT OF NEWFOUNDLAND OPERATION ON PETROLEUM INDUSTRY

On the orders of the day:

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I should like to direct this question to the Minister of Industry, Trade and Commerce or to the Minister of Energy, Mines and Resources, whichever may be in a position to answer it. Has the government investigated the possible serious consequences to the Canadian petroleum industry which will result from the operation of the projected refining complex of the Newfoundland government and the Shaheen company at Come-By-Chance?

Hon. Jean-Luc Pépin (Minister of Industry, Trade and Commerce): Mr. Speaker, the Minister of Finance has just given an indirect answer to this question.

Mr. Harkness: Mr. Speaker, the answer given by the Minister of Finance had to do entirely with the loss of income tax. My question is in regard to the very serious disruption to the Canadian petroleum industry which this could cause.

Mr. Pepin: He will look at both sides of the question.

Mr. Harkness: As a further supplementary question, if it has been the subject of investigation, what action does the government propose to prevent these serious consequences? Is there no answer?

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

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I would like to address a

question to the Minister of Finance. Does the government intend to present a budget to parliament this fall. If so, when may we expect its presentation?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, it is our intention to present a budget this fall. The present date we are aiming for is somewhere in mid-October, but I would not like to tie myself down to an exact date at this time.

Mr. Hees: As a supplementary question, is the absence of any mention of tax reform in the speech from the throne an indication that the government has abandoned any firm ideas that it might have had?

Mr. Benson: No.

Mr. Speaker: Order. The supplementary question is argumentative.

Mr. Hees: No? Mr. Speaker, please—

Mr. Speaker: Order. I have indicated to the hon. member that the question as asked is argumentative and out of order.

EXTERNAL AFFAIRS

NATO—ATTENDANCE OF CANADIAN MINISTERS AT FALL MEETINGS

On the orders of the day:

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. Has Canada received a proposal to have him and the Minister of National Defence attend an emergency meeting of NATO ministers in the near future? If so, what is the government's decision regarding such a meeting?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, there have been discussions in the NATO council and among foreign ministers of the NATO countries regarding a series of meetings to be held this fall. Definite decisions have not yet been made as to the time and the place of such meetings.

Mr. MacLean: In view of earlier reports that in the light of the U.S.S.R. invasion of Czechoslovakia NATO countries had given undertakings to the alliance to not reduce their military strength in Europe, I should like to ask the minister whether any such undertaking has been requested of Canada or given by Canada and, if so, for what length of time.

[Mr. Hees.]

Mr. Sharp: After the NATO council met a public statement was made. I do not have it with me today, but I could obtain it and it could be tabled if the house were interested. Canada subscribed to this statement. It did not involve any country giving an undertaking about the maintenance of its present forces.

Mr. MacLean: Perhaps I might be allowed a further supplementary. I should like to address this to the Prime Minister. In view of the Prime Minister's statements about a reassessment of Canada's role in NATO, will the Prime Minister undertake to make a full statement to the house on Canada's position in this regard before the series of meetings to which the Secretary of State for External Affairs referred take place?

Right Hon. P.-E. Trudeau (Prime Minister): Sir, it would be normal that I only make this statement after the assessment is concluded. We are proceeding with as great haste as is possible but, as the Secretary of State for External Affairs just indicated, our general position in NATO does not compromise any reassessment we might like to make.

[*Translation*]

HOUSING

QUEBEC—REPORTED STATEMENT BY PROVINCIAL MINISTER

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): In the absence of the Minister of Transport, who is responsible for urban renewal, I would like to direct my question to the Prime Minister. Could he tell us, following the statement made last Friday by the Quebec Minister of Municipal Affairs, the hon. Robert Lussier, to the effect that he would fight with all his energies the interference of the federal government in the field of housing, if he intends to change anything to the federal housing policy outlined in the Speech from the Throne?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, if the said minister is thereby indicating that he wants to respect the constitution, we are in complete agreement, and we hope that his government will respect it in every field.

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

Does he not think that it might be in order to offer a house to the Quebec minister through the Central Mortgage and Housing Corporation?

[*English*]

EXTERNAL AID

BIAFRA—INQUIRY AS TO STEPS TO RENDER ASSISTANCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Arising out of the questions that were asked on Friday regarding the disastrous situation in Biafra and the rather uncertain replies of the ministers, may I ask whether now, after three days of further contemplation, the minister is in a position to advise the house what action Canada intends to take in order to meet a situation that is pregnant with deep danger to the peace of the world. Has Canada been asked by Sweden for assistance by supplying aircraft and, if so, have the aircraft been supplied?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I have reviewed the answers I gave on Friday and I do not think there is any necessity to add to those answers. I indicated that Canada has been very active and continues to be active both in trying to bring the conflict to an end and in the provision of relief.

As I said at the time, we had been asked to supply aircraft but this had proven to be hypothetical because there was no place to land. As hon. gentlemen in the house know, even the International Red Cross had to suspend its flights. I can assure hon. gentlemen that as soon as it is possible for supplies to be flown into Biafra we will be there to help.

Mr. Diefenbaker: The uncertainty still continues. I now ask the minister whether at the earliest possible date the government will provide an opportunity to this house to express opinions concerning what should be done in this regard, to put an end to the feet dragging that has gone on on the part of this government.

Mr. Sharp: Mr. Speaker, there will be ample opportunity during the next few days to discuss this question and many others of equal importance. If necessary I would be happy to participate in the debate.

[*Later:*]

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Can the minister tell us whether any Canadian relief supplies have reached Biafra as yet?

Mr. Sharp: Mr. Speaker, I doubt very much whether any of the supplies that we have put into Lagos have yet reached Biafra, but they certainly have been reaching people who are now under the control of the Nigerian authorities. Our supplies are moving forward into areas where former residents of Biafra are now located.

Mr. Nesbitt: A supplementary question, Mr. Speaker. I wonder whether the minister can give the house some indication of the nature of these supplies, and perhaps their extent.

Mr. Sharp: Mr. Speaker, they consist in the main of high protein foods, fish and things of that kind, which are very much needed by the people of this area, who have had to get along on a very starchy diet, if any at all.

CANADA ELECTIONS ACT

REQUEST FOR PROVISION FOR VOTING BY INCAPACITATED PEOPLE

On the orders of the day:

Mr. E. B. Osler (Winnipeg South Centre): I should like to direct a question to the President of the Privy Council. In view of its accent on involvement and participation, does the government intend to seek revision of the elections act so that in future bedridden and physically incapacitated people may vote by mail or exercise their franchise in some other way at election time?

Hon. Donald S. Macdonald (President of the Privy Council): As hon. members will have noted, there is no provision for revision of the elections act at this session of parliament. I hope to be in a position to announce to the house some vehicle by means of which hon. members can express to the government their views on changes that might be made in the Canada Elections Act.

IMPLEMENTATION OF RECOMMENDATIONS RESPECTING ELECTION EXPENSES

On the orders of the day:

Mr. David Lewis (York South): I should like to direct a further question to the President of the Privy Council. In view of this underlining of the fact that there will not be any legislation to amend the election act, could he inform this house whether there will be any legislation at this session to implement the recommendations of the committee on election expenses?

Inquiries of the Ministry

Hon. Donald S. Macdonald (President of the Privy Council): Since the menu for the coming session has been set out very completely in the speech from the throne, it is not my expectation there will be legislation at this session to deal with any aspect of the Canada Elections Act. Of course I would be delighted to have the hon. member's views on that or any other aspect of this subject.

Mr. Lewis: Will the minister inform the house whether there is a task force studying the committee report, or whether the committee's report will be referred to a committee of this house so that action on it may be taken soon? We have had the report for a few years.

Mr. Macdonald (Rosedale): This question is, of course, under active review.

FISHERIES

DISCUSSIONS RESPECTING ASSISTANCE FOR ATLANTIC PROVINCES

On the orders of the day:

Mr. Lloyd R. Crouse (South Shore): I wish to direct a question to the Minister of Fisheries, and I preface my question with congratulations on his appointment to this position. Would the minister inform the house now, or as soon as convenient, about the progress made in his talks with the fisheries ministers of the Atlantic provinces concerning the serious situation in the east coast fishing industry, and the course of action planned by the government to assist this important primary industry?

Hon. Jack Davis (Minister of Fisheries): First I should like to thank the hon. member for his congratulatory remarks. Second, I should like to say that the problems of the east coast fisheries are under review. The purpose of my meeting with the fisheries ministers of the Atlantic region was to do just that, review these problems. As soon as there is a statement to be made on policy it will be made in the house.

Mr. Crouse: In view of the serious marketing problems in the fishing industry, when can we expect a preliminary report on the in depth market research study which is being financed by the federal and provincial governments and the industry?

Mr. Davis: I hope we can have a preliminary report early next year. I understand a full and final report is scheduled for early 1970.

[Mr. Lewis.]

POST OFFICE DEPARTMENT

PAYMENT UNDER CONTRACTS FOR PERIOD OF STRIKE

On the orders of the day:

Hon. J. W. Monteith (Perth): I should like to direct a question to the Postmaster General. As the result of a certain amount of uncertainty or lack of clarity in answers concerning rural mail carriers on Friday, I wonder if the minister would mind making a statement on motions in the near future outlining the exact position of the rural mail carriers and the legal support the government has for the position it has taken.

Hon. Eric Kierans (Postmaster General): I am preparing a letter for all members of the house outlining our position.

Mr. Monteith: Is this going to be mailed to all members or will there be a statement on motions?

An hon. Member: By rural mail.

Mr. Kierans: I am addressing a letter to all members of the house explaining our position with regard to rural contracts in particular.

Mr. Monteith: When will that be forthcoming?

Mr. Kierans: I looked at the draft on Friday, and it will be going out soon.

Mr. Robert C. Coates (Cumberland-Colchester North): Will the Postmaster General also consider providing information in this statement concerning the closing of post offices and the cancellation of rural routes which is being carried out by his department at the present time? Will he give assurance to the house that the service now available to rural people will be maintained?

Mr. Kierans: Mr. Speaker, we are going through a normal reorganization of the services provided by the post office. It is true that we are closing down some revenue offices, but we are supplying in their place rural services that will be better. The revenue offices that we are currently considering closing are obviously those that are running at a considerable deficit and have no economic justification whatsoever.

Mr. Coates: A further supplementary question, Mr. Speaker. Would the Postmaster General advise whether he considers as normal the closing of three post offices and two rural routes in a very small area?

Mr. Speaker: Order, please. The minister will have to give that opinion privately to the hon. member.

REQUEST FOR STATEMENT ON PROPOSED RATE INCREASES

On the orders of the day:

Mr. Barry Mather (Surrey): Mr. Speaker, I should like to ask a question of the Postmaster General. Having in mind the government's declared intention of combating inflation, I wonder whether the minister could make an early statement as to how this policy is related to his proposal to increase the ordinary postal rates by 50 per cent.

Mr. Speaker: Order, please. The hon. member is asking for a statement that would normally be made on motions.

[*Translation*]

REPORTED DELAY IN CONSTRUCTION OF POST OFFICES

On the orders of the day:

Mr. René Matte (Champlain): Mr. Speaker, I should like to address a question to the Postmaster General.

Will restrictions imposed upon government expenditures affect the proposed construction of post offices in various municipalities, among others, those at Saint-Casimir and at Saint-Alban in the Champlain district. These seem to be put off indefinitely. Could the minister let us know the government policy in this matter?

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

[*English*]

POLLUTION

INQUIRY AS TO RESEARCH PILOT PROJECTS

On the orders of the day:

Mr. Walter Deakon (High Park): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. Can the minister please advise the house whether he has planned any pilot projects of a research nature with the object of the elimination of the pollution of our air and water resources?

Hon. J. C. Munro (Minister of National Health and Welfare): Mr. Speaker, some such pilot projects are now under consideration by the department, along with a general study of the problem.

[*Later:*]

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. In view of the fact that a question has already been asked today of the minister of health and welfare in regard to water and air pollution, would he get together with the minister and decide which of them will answer questions of policy regarding water and air pollution?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I understood that the question was directed to the minister of health and welfare. Many of these subject matters cover several departments, and I take it that ministers will answer within their competence when questions are directed to them.

Mr. Aiken: Mr. Speaker, may I ask a supplementary question. May I ask the minister whether the government intends to proceed shortly to bring some order out of chaos on the pollution policy?

Mr. Greene: Mr. Speaker, any government policy in this area will be announced in the proper manner. As the hon. member knows, the question of pollution was referred to in the throne speech.

GRAIN

WHEAT—STEPS TO MAINTAIN PRICE UNDER INTERNATIONAL ARRANGEMENT

On the orders of the day:

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Is the minister aware of the difficulties arising under the international grains agreement with regard to grading, which is having a softening effect on the price of wheat? If he is aware of this problem, what is the Canadian government prepared to do about it, in order to enforce the terms of the international grains agreement?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the hon. member is also aware that there is a debate among wheat exporters as to what is the cause and who is the culprit, and that some countries are accusing each other of selling at less than the price agreed under the international grains arrangement. These accusations are refuted by each country, one after the other, and I understand that it is extremely difficult to assess these prices and to know

whether one country in particular is selling below the agreed price.

Mr. Horner: A supplementary question, Mr. Speaker. In view of the difficulty which exists, as the minister suggests, is the government prepared to guarantee to western farmers the floor price of a year ago of $1.95½, as they did in the past year?

Mr. Pepin: This is a question of policy, Mr. Speaker, and it will be announced in due course, if it is found needed to do so.

[*Translation*]

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to put a question to the Minister of Manpower and Immigration.

Could he tell the house whether the said Mr. Rossillon, recently charged with being an agitator, is now a naturalized Canadian?

Mr. Speaker: Order. This is a question for the order paper.

[*English*]

CRIMINAL CODE

METHOD OF DEALING WITH PROPOSED AMENDMENTS

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct my question to the Minister of Justice. Is the minister intending to bring in the amendments to the Criminal Code under one bill, as formerly suggested by the Prime Minister, or does he intend to divide up the bill as he suggested?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I might say that there is no difference of opinion whatsoever.

Some hon. Members: Oh, oh.

Mr. Woolliams: Who said there was?

Mr. Turner (Ottawa-Carleton): It is the present intention of the government to bring in the bill as one bill. I will have more to say about that when the bill is introduced.

Mr. Woolliams: A supplementary question, Mr. Speaker. Would the Minister of Justice be prepared to table the recommendations and discussions with the attorneys general of the provinces in reference to these amendments to the code, which we appreciate have been submitted to his department?

Mr. Turner (Ottawa-Carleton): At the recent meeting of the uniformity conference at the end of August there were meetings with most of the provincial attorneys general. Some of the attorneys general have indeed, as the hon. member suggested, written to the department. I would think at the appropriate time I might well consider that suggestion when the matter is before the house.

Mr. Woolliams: Just one further supplementary question, Mr. Speaker. Is the minister prepared to file those statements in the house at the appropriate time?

Mr. Turner (Ottawa-Carleton): Before doing so, of course, I would have to communicate with the attorneys general, because their consent would be required.

FINANCE

STEPS TO OVERCOME SHORTAGE OF 25 CENT PIECES

On the orders of the day:

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct my question to the Minister of Finance. What steps does the Minister of Finance propose to take to overcome the extreme shortage of 25-cent pieces now in circulation? This matter causes great handicap and inconvenience to businesses large and small.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as hon. members know, we have changed to nickel coinage and there has been some hoarding of silver coinage in Canada. In order that we might have the Royal Mint devote its time to producing 25-cent pieces we recently agreed to purchase 75 million 10-cent pieces which are to be produced by the United States mint. This means that at the present time the Royal Canadian Mint is devoting its facilities to producing 25-cent pieces in order to meet any shortage existing in the country. I should point out that the shortage exists because some people in the country have been hoarding the silver coins which were in circulation.

Mr. Hales: A supplementary question, Mr. Speaker. This two-bit operation that the minister talks about—

Some hon. Members: Oh, oh.

Mr. Hales: —is not overcoming the problem. Would the minister consider placing this order for the manufacture of extra quarters in some other country, maybe the United Kingdom?

Mr. Benson: Mr. Speaker, at the time we were looking for additional facilities which could produce coins for Canada we explored the possibility of having them produced in mints other than the United States, and were not successful in so doing. I believe that within a reasonable period of time any shortage of coins will disappear as the mint facilities, including the expanded facilities which we instituted a couple of years ago, are completely involved in producing two-bit pieces, as the hon. member calls them.

[*Translation*]

[*Later:*]

Mr. Marcel Lessard (Lac-Saint-Jean): Mr. Speaker, I wish to direct a question to the Minister of Finance in connection with the minting of silver coins which have been replaced by nickel coins.

Is the minister aware that the new coins cannot be used in automatic vending machines and parking meters of our cities and does he intend to compensate the companies which own those machines as well as the municipalities affected by that change?

Mr. Speaker: This question has already been asked in the house.

[*English*]

AGRICULTURE

TURKEYS—REQUEST FOR PROTECTION AGAINST U.S. IMPORTS

On the orders of the day:

Mr. R. E. McKinley (Huron): I have a question for the Minister of Agriculture of which I have given him notice. Due to the fact that Ontario turkey producers are being forced to sell their products at below the cost of production because of the influx of United States turkey imports, what action is the government anticipating in the way of emergency tariffs or import quotas to help prevent our Canadian turkey producers from being forced out of business? I understand that the turkey federation has made a submission to the minister in this regard.

Mr. Speaker: Order, please. I think this question should be answered by way of a statement on motions. This is a suggestion I make to the minister at this time.

Mr. McKinley: Mr. Speaker, this is of very great importance to turkey producers all across Canada as well as to the feed grain producers, and I believe the minister has an answer which is not too long.

Mr. Speaker: I hope the answer is shorter than the question.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I assure you the answer is very brief, but its brevity is no indication of the importance of the question.

I may say that representations have been received from turkey producers, and I met with officials of the Canadian Turkey Federation with regard to the importation of turkeys and its effect on the Canadian domestic market. I have assured the officials of the federation and other interested producers that the government has this problem under active consideration.

Although this question does not deal specifically with the matter raised by the hon. member, it is about all that can be properly said at this time.

CORN—REQUEST FOR PROVISION OF FLOOR PRICE

On the orders of the day:

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. In view of the fact that the Canadian commercial corn harvest is only just beginning and the price quoted to growers is so disastrously low as to be considered below the cost of production, can the minister indicate whether immediate steps will be announced either to establish a floor price of $1.50 per bushel as requested by spokesmen on behalf of the industry or to ensure in some other manner a just return to the growers for this major crop?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, last Friday a question of a similar nature was addressed to me, and the answer today is the same. This matter is under active consideration.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF DAIRY PRINCESS OF ENGLAND AND WALES

On the orders of the day:

Hon. H. A. Olson (Minister of Agriculture): I wonder if I may be permitted at this time to draw Your Honour's attention to the presence in your gallery of a very distinguished visitor. I refer to Miss Joan Harland, who is on an official visit to Canada in her capacity as dairy princess of England and Wales.

Some hon. Members: Hear, hear.

Inquiries of the Ministry

FISHERIES

INQUIRY AS TO ESTABLISHMENT OF STRAIGHT BASE LINES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Minister of Fisheries and ask whether he would be able to tell the house his views and intentions with respect to the straight base lines under the Territorial Sea and Fishing Zones Act, especially in so far as the west coast is concerned.

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, in order to answer this question properly I would have to make a general statement on policy. The policy is certainly under review, and I as a new minister from the west coast am very concerned with the subject the hon. member has raised.

Mr. Howard: As a supplementary question may I then ask the minister whether he would take the time to make a statement on motions about this very important matter, particularly with reference to the quotations which were attributed to him in the Toronto *Globe and Mail* concerning his intention to depart from the present policy.

Mr. Speaker: Order, please.

PROTEST AGAINST WITHDRAWAL OF SALT SUBSIDY

On the orders of the day:

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Minister of Fisheries. In view of the urgent situation caused by the recent abolition of the salt rebate to Atlantic fishermen, what interim action is planned to avoid a serious and immediate hardship to our fishermen so affected?

Hon. Jack Davis (Minister of Fisheries): As the hon. member knows, the salt subsidy to the cod fishery on the east coast has been discontinued. Other programs of a broader nature are under consideration. They are being developed with regard to the income and production of that industry.

Mr. James McGrath (St. John's East): Could the minister tell the house why he chose to do away with the salt subsidy in the middle of the fishing season?

Mr. Speaker: Order, please.

[Mr. Olson.]

LICENCES FOR VESSELS REPLACING THOSE LOST AT SEA

On the orders of the day:

Mr. Tom Goode (Burnaby-Richmond): Mr. Speaker, my question is addressed to the Minister of Fisheries. The minister recently announced that no more licences would be granted to fishing vessels on the west coast. I have had urgent representations from fishermen who are concerned about the loss of their vessels at sea. What does the minister intend to do about vessels that are lost as a result of accidents beyond the control of the fishermen themselves?

Mr. Speaker: Order. I wonder whether the hon. member's question is not hypothetical.

TRADE

PROHIBITION ON SALE OF CANADIAN TURBOT IN U.S.

On the orders of the day:

Mr. James McGrath (St. John's East): Mr. Speaker, I have a question for the Minister of Trade and Commerce. Can the minister tell the house what action his department contemplates regarding the recent prohibition by the U.S. food and drug administration of the sale of Greenland halibut on the U.S. market and the disastrous consequences it has had on the Canadian east coast fisheries?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, as was mentioned by the Secretary of State for External Affairs last Friday, we made representations on this subject to the United States. I have been informed that the food and drug administration will hold hearings on this subject on October 2 in order to receive representations from all parties. We are in touch with the fishing industry of Newfoundland on this subject, and we are doing our best to bring their case before the U.S. authorities.

Mr. McGrath: Could the minister inform us what role his department will play when this appeal is heard in the United States?

Mr. Speaker: Order. I do not think the supplementary question is in order.

[*Later:*]

Mr. McGrath: Mr. Speaker, I wish to assure you of the urgency of this question which I direct to the Minister of Industry, Trade and Commerce. Could the minister tell the house

whether the prohibition on the sale of Greenland halibut is still in effect pending the hearing of the appeal to which he referred in his answer to my previous question?

Mr. Pepin: Mr. Speaker, may I answer this question tomorrow because I still have a shadow of a doubt as to the actual situation.

TRANSPORT

REQUEST FOR STATEMENT ON FERRY SERVICE, SAINT JOHN, N.B.—DIGBY, N.S.

On the orders of the day:

Mr. J. P. Nowlan (Annapolis Valley): I should like to direct my question to the right hon. Prime Minister. Can he provide any facts additional to the announcement he made in Nova Scotia on May 30, 1968, promising a new Saint John-Digby ferry?

Right Hon. P.-E. Trudeau (Prime Minister): I will have to consult the minister on that matter, Mr. Speaker.

GRAIN

INQUIRY AS TO PROPOSED NATIONAL COUNCIL

On the orders of the day:

Mr. John Skoberg (Moose Jaw): I should like to direct a question to the Minister of Agriculture. In view of the proposal in the speech from the throne concerning the establishment of a national grains council, will farm organizations and those most directly concerned with the marketing of grain have ample opportunity to appraise and submit their recommendations concerning any new legislation?

Hon. H. A. Olson (Minister of Agriculture): I think the answer to that question is a very simple yes; they will be invited to do so.

Mr. Skoberg: I have a supplementary question. Could the minister say when this legislation may be introduced?

Mr. Olson: I am not sure that legislation is required for this. I believe the Prime Minister issued a press release either on Wednesday or Thursday indicating that a preliminary meeting would be held on October 16, and the Minister of Industry, Trade and Commerce and the Minister of Agriculture are now in the process of issuing invitations to various interested parties to attend that meeting.

Inquiries of the Ministry

LABOUR CONDITIONS

PICTOU, N.S.—REPORTED HEAVY UNEMPLOYMENT AT SHIPYARD

On the orders of the day:

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, I have a question for the Minister of Defence Production. I should like to congratulate him on his appointment and to point out that as Minister of Defence Production he has knowledge of the shipbuilding industry in the Atlantic area and of its importance there. May I ask him whether he received representations from the United Steelworkers of America and other organizations regarding the heavy unemployment at the Ferguson Industries Limited shipyard at Pictou, Nova Scotia, and if so what action the government intends to take in this regard.

Hon. Don Jamieson (Minister of Defence Production): Mr. Speaker, I have received representations which I am examining now. A number of proposals have been advanced, and I hope that in the immediate future we will be able to ensure that these yards are given an opportunity to tender on whatever construction is planned.

INQUIRY AS TO ASSISTANCE TO MUNICIPALITIES

On the orders of the day:

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I should like to address my question to the Minister of Labour or some other appropriate minister. In view of the fact that the winter works program is being discontinued, does the government plan any alternative direct financial assistance to the municipalities this winter?

Hon. B. S. Mackasey (Minister of Labour): Mr. Speaker, I think the Prime Minister and the minister of manpower answered this question quite adequately last Friday.

Mr. Rose: A supplementary question, Mr. Speaker. Can the Prime Minister or the minister of manpower be more specific as to the nature of these provisions?

Mr. Speaker: Order, please.

NATIONAL DEFENCE

SUGGESTED INTENSIFICATION OF RECRUITING CAMPAIGN

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Minister of

National Defence. In view of the recent report by the Institute for Strategic Studies to the effect that Canada has a smaller percentage of men of military age in the armed forces than any other western country, is it the intention of the government to take steps through an intensified recruiting campaign to bring Canada's forces to a point where a more realistic number of young Canadians may acquire the benefit of military training and discipline—

Mr. Speaker: Order, please.

Mr. Dinsdale: —adding substantially to the capacity of this nation to defend itself.

Mr. Speaker: The hon. member will recognize, I am sure, that the question as asked is out of order.

BATTLE OF BRITAIN—REQUEST FOR MILITARY OBSERVANCE

On the orders of the day:

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I should like to address a question to the Minister of National Defence of which I have given him notice. It concerns a matter that is urgent to many thousands of Canadians. Will the minister consider restoring the military role to ceremonies observing Battle of Britain on Sunday at local cenotaphs, in light of a week end resolution of the Nova Scotia command, Royal Canadian Legion?

Mr. Speaker: Order. I realize the importance of the question but the hon. member is referring to a situation which will not be arising for some months yet. Therefore I think the question should be put on the order paper.

DOMINION-PROVINCIAL RELATIONS

REPORTED INTENTION TO REVIEW JOINT PROGRAMS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of his reported statement over the week end concerning the desirability of holding a federal-provincial conference to consider cutting down the money spent on certain joint programs, can he indicate what programs he has in mind and also whether this will mean reducing any of the amounts received under these programs by individuals?

[Mr. Dinsdale.]

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, officials of the federal government and the provincial governments have met in the last two weeks to consult with each other as to which of these programs they might wish to consider jointly. Their reports will be made to the governments, and the governments concerned will establish the agenda. However, as the hon. member indicated, the general purpose is to re-examine all open-ended programs which are costing more than the federal and provincial governments can sometimes afford.

Mr. Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. Would the Prime Minister answer the second part of my question, namely whether this will involve the cutting down of benefits or allowances paid to individuals?

Mr. Trudeau: Of course this will depend on the subjects which the provinces will agree to put on the agenda. These are programs which are established through joint action, and the federal government wants to discuss each of them before making any announcement.

HOUSING

TORONTO—SERVICING OF GOVERNMENT OWNED LAND

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the Minister of Transport. He is not here and I am not sure who is his parliamentary secretary. However, I shall address it to the parliamentary secretary.

In view of the urgency of the housing crisis in the area of metropolitan Toronto, and in view of the fact that since 1953 the federal government, together with the provincial government, has been the owner of 1,000 acres of land acquired for housing purposes, will the minister state whether arrangements have been made to service the land and how soon it is anticipated it will be available for actual housing construction?

Mr. Speaker: Order. I suggest to the hon. member that he place this question on the order paper.

FINANCE

CONSIDERATION OF REPORT OF COMMISSION ON TAXATION

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to address a

question to the Minister of Finance. Since the minister indicated a few minutes ago that the government has not lost interest in tax reform, does the government expect in the near future to present its views on the Carter commission report on taxation and permit debate in this house on this most important matter?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, although I would not like to be tied to this, may I say our present intention is to introduce sometime early next year a draft bill dealing with tax reform which, after first reading, will be referred to a committee of the house. However, this is subject to change.

COAL

REQUEST FOR MAINTENANCE OF DOMINION BOARD

On the orders of the day:

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, may I ask the responsible minister whether the government will give consideration to the plea of a charter member of the Dominion Coal Board, William C. Whittaker of Calgary, when he said that the board should be maintained with such modifications as these changing times require.

Mr. Speaker: The hon. member for Fraser Valley.

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, may I have an answer from the responsible minister?

Mr. Trudeau: It is not an urgent question.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I read the representations of that hon. gentleman with considerable interest.

TRANSPORT

MELVILLE, SASK.—PROPOSED SHIPMENT OF POTASH BY TRUCK

On the orders of the day:

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, in the absence of the Minister of Transport I should like to address my question to the acting minister or his parliamentary secretary. Is he aware of the situation that is developing at the potash mine near Esterhazy, Saskatchewan? International Minerals has proposed trucking potash by rail to a United States border point for shipment via rail—

Mr. Speaker: Order. Would the hon. member kindly state his question.

Mr. Nystrom: I should like to ask whether the minister is aware of this situation, and in view of the situation what does he propose to do to prevent economic damage to the rail centre of Melville?

Mr. Speaker: Order. I would invite the hon. member to place his question on the order paper.

CONSUMER AFFAIRS

AUTOMOBILES—REQUEST FOR STATEMENT ON PRICES

On the orders of the day:

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct this question to the minister of consumer affairs. In view of the strong statement made this week end to the automobile companies in the United States asking them to hold their prices because of their high profits, is the minister considering making a similar statement in Canada?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the operation of the automobile agreement falls under the jurisdiction of my colleague the Minister of Trade and Commerce, and I think the question should be directed to him.

Mr. Saltsman: A supplementary question, Mr. Speaker. In view of the responsibility of the minister of consumer affairs for prices to consumers, I was wondering whether he would care to make a statement.

Mr. Speaker: Order, please.

Mr. Saltsman: Then I will direct my question to the appropriate minister and ask him whether he intends to make a statement regarding these prices in Canada.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I think we should first know what will be the prices of automobiles in Canada. If there is an increase, then I think we should give it some study before making any pronouncements on the subject.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. Would the minister admit that it would then be too late to do anything?

Mr. Speaker: Order.

Mr. Saltsman: A further supplementary question. In view of the fact that it is frequently more effective to head off this kind of situation by a strong statement on the part of government, will the minister consider making such statement so as to put the automobile companies on notice?

Mr. Speaker: Order, please.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Friday, September 13, consideration of the motion of Mr. Eymard Corbin for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

[*Translation*]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to extend my congratulations to the hon. member for Madawaska-Victoria (Mr. Corbin), who had the honour of being chosen by his colleagues to move the address in reply to the Speech from the Throne.

It would be ungracious on my part to begrudge certain excerpts of his speech with which the opposition did not agree, but everybody will agree, I believe, that he showed himself a very pleasant speaker, and I am happy to add his name to the list of members I can understand without the help of simultaneous translation.

[*English*]

I do not know, sir, whether that is a compliment, but it is meant to be.

[*Translation*]

He is proud, and rightly so, of representing the constituency of Madawaska-Victoria. In view of his first participation in the business of this house, I am inclined to believe that his election is not so catastrophic as I would have had the people believe at the time of my pleasant visit to his constituency during the election campaign. I do hope, Mr. Speaker, that the very great discretion which seems incumbent on government members will not deprive the house of the pleasure of hearing the representative for Madawaska-Victoria.

• (3:30 p.m.)

[*English*]

I also wish to congratulate the hon. member for Kamloops-Cariboo (Mr. Marchand) who seconded the address in reply to the Speech from the Throne. I welcome him to the house for his personal qualities and for what he represents. He spoke eloquently on behalf of the native peoples of Canada and his presence here reminds us of some of our obligations.

Some hon. Members: Hear, hear.

Mr. Stanfield: I also thank him for his courteous reference to his predecessor from the constituency he now represents, the Hon. Davie Fulton.

Again I extend my congratulations to you, Mr. Speaker, and offer my best wishes to you. By achieving a permanent Speaker we will have taken a first step toward freeing the Chair from all suggestions that it is influenced by partisan considerations. Without reservation I offer my congratulations to the Deputy Speaker and to the Deputy Chairman of Committees. I express the hope that in future the Deputy Speaker may be chosen from a party other than the party in power.

In recent years it has been the practice of the Deputy Speaker to vote when the house has divided. It might be well, in order to enhance the dignity of that office and to render its incumbent even more impartial than at present, if the Deputy Speaker did not in future take part in divisions of the house. Certainly, sir, the steps which have been taken represent important steps toward parliamentary reform.

There has been much public interest, as there ought to be, and much discussion outside the house about the reform of the rules of parliament. It now appears that we may have to enter into discussions which will determine the interim arrangements under which we shall conduct our business until permanent rule changes are adopted. This party wishes parliament to operate as soon as possible under permanent rules that are agreed on by members on both sides of the house.

In the light of experience of recent years we want to make perfectly sure that this time the adoption of any interim arrangements is not used to delay or frustrate progress toward permanent rules.

Some hon. Members: Hear, hear.

Mr. Stanfield: Once bitten, twice shy. There is no question of being twice bitten. We are determined to surround the adoption of any interim arrangements with safeguards which are as foolproof as possible. We fully realize

that it is necessary to include in any interim rules many of the previous provisional rules; but not all the previous provisional rules ought to be included. Under the present circumstances one or two of the previous provisional rules are now unacceptable to us. For example, we are faced during the present session with two sets of estimates. Under suggestions made by the government to the house on Friday last the house would be required to vote estimates for the government at a rate of up to $1 billion per day. The country will not take kindly to any parliament that acquiesces in such a procedure or to any government that imposes it.

Some hon. Members: Hear, hear.

Mr. Stanfield: We shall be, as we have been, a responsible opposition. We must resist any proposal that would fundamentally impair the discharge of our constitutional responsibility as Her Majesty's loyal opposition.

Some hon. Members: Hear, hear.

Mr. Stanfield: I congratulate the new ministers and parliamentary secretaries who have been appointed to the new government. Also I commiserate with those who have failed to be appointed. I notice that the Prime Minister (Mr. Trudeau) has declared his intention to change the incumbents of ministerial offices more frequently than has been the case in the past. After the Prime Minister has explained away or rationalized some of his other promises I am sure this particular promise will remain vividly in the minds of backbenchers on the government side of the house.

Incidentally, of the 16 parliamentary secretaries, seven come from Ontario, seven from Quebec, one from British Columbia and one from the Northwest Territories. I hope that when the Prime Minister makes any changes in future he will be able to appoint someone from New Brunswick, Manitoba, Saskatchewan or Alberta, since I am sure there are members from those provinces with sufficient talent to serve in ministerial capacities.

Naturally, I extend my congratulations to all members who have been elected or re-elected. More to the point, so far as the Liberal party is concerned, are congratulations to those who for one reason or another have not been re-elected. Mr. Byrne, for example, is with the Immigration Appeal Board. Mr. Macaluso has followed his distinguished predecessor to the Canadian Transport Board. Mr. Pickersgill showed the way. Whatever anyone may have said about Mr. Pickersgill's competence in the field of transportation, everyone must agree that he qualifies as an expert in marine matters since he knew when to get off a sinking ship in Newfoundland.

Mr. Matheson has received a county court appointment; Mr. Teillet is on the pension commission; Mr. Robichaud has been elevated to another place; Mr. Tardif is with the citizenship court and Mr. Stewart is giving on the job training to the President of the Privy Council. The most striking anomaly about the just society so far seems to be the uneven distribution of benefits.

Some hon. Members: Hear, hear.

Mr. Stanfield: It may be that some of these appointments have come about because of the Prime Minister's determination to have decisions made by politicians and not by officials.

An hon. Member: Like recognizing Red China.

Mr. Stanfield: It seems that the Speech from the Throne is not a reliable guide to legislation that is to come before the house. The other night the Prime Minister seemed to suggest on television that the Canada Development Corporation concept was included at least in part in the Speech from the Throne because questions might be asked if such a concept were not included. In mentioning the Canada Development Corporation in the Speech from the Throne the Prime Minister extended a courtesy to it that he did not extend to the Queen.

Some hon. Members: Shame.

Mr. Stanfield: If he is going to disavow the Queen, let him do so openly. If he has convictions on this subject, let him express them. Let him explain this breach of precedent and courtesy which cannot but help disturb and offend countless Canadians who care deeply about the Queen.

Some hon. Members: Hear, hear.

Mr. Stanfield: So far as our party is concerned, our goal is, as it has always been, a united and strong Canada. We feel concerned about the future of our country and about the future of confederation and we shall do everything we can to strengthen Canada and confederation. We shall resist, as we have resisted in the past, any measure that will imperil national unity. We shall not make national unity a subservient part of partisan politics.

Quite properly the Prime Minister places great importance on constitutional reform. The continuing committee appointed at the federal-provincial conference of February last has not met since the conference. Officials have been meeting, but they have been meeting in private. I do not object to that in general. Yet those officials meet in absolute secrecy; absolute secrecy surrounds their deliberations and the country has no idea if any progress has been made, if any obstacles have been overcome or if any consensus has been reached. We do not even know what these officials are discussing. I think Canadians should be told what is going on. We all agree that national unity is a matter of the utmost priority. The Prime Minister may find that keeping the people completely in the dark for long periods of time is not going to help the cause of national unity and, indeed, may very well harm it.

• (3:40 p.m.)

The Prime Minister stated his views in Vancouver on the subject of certain priorities in connection with the constitution—language, the Supreme Court and the Senate. I must say I found it strange that in listing these priorities he should have made no mention of an amending formula for our constitution enabling us to repatriate it to Canada. Surely this is central to the question of constitutional reform. How would the Prime Minister propose to entrench a charter of individual rights? By going to Westminster for permission to amend the constitution? I am sure Canadians hope that when we are ready with reforms and amendments to our constitution we shall be able to achieve those reforms and those amendments here in Canada. Certainly Canadians want to repatriate the constitution. Certainly we want to work out our problems without interference from outside.

I agree with the Prime Minister in opposing outside interference in our affairs. There have been incidents recently involving alleged agents from foreign countries. Outside interference in our affairs is bitterly resented. When I first heard the Prime Minister mention this I thought he was referring to a new development. For example, I thought the activities of Mr. Rossillon were new in Canada. I was surprised to find they had been going on for years, back to 1964, for example, and I cannot but wonder why the people of Canada were not told about this before—told, for instance, of his activities in 1964. I wonder whether there are other foreign agents operating in our country about whom we have not been told.

The Speech from the Throne, Mr. Speaker, is a failure in every respect. It could and should have been an inspiring document; it should have been a challenge to Canadians from their new government; it should have articulated a Canadian ideal. What we have is a let-down, a disappointment, especially to younger Canadians who thought only a few months ago they saw an exciting, dynamic and even uplifting new government. The Speech from the Throne contained in this flat, pedestrian document fails as an agenda for the new parliament. It fails even to recognize the problems facing the country. It could have listed on a page or two the backlog of business—taken two or three minutes for that purpose. We all know about that backlog; the whole country knew it. But the speech rambles on, resurrecting old items, distributing them through its pages, trying to join them up and trying to cover the nakedness of the "just society" which appears in it.

Some hon. Members: Hear, hear.

Mr. Stanfield: Let me quote just a few lines:

> My government is deeply and irrevocably committed to the objectives of a just society and a prosperous economy in a peaceful world.

And in the same paragraph we find listed, among other matters, suggestions affecting national symbols and the financing of the Post Office Department as concrete proposals for the implementation of the just society.

The speech philosophizes about poverty and then leaps eagerly into what it calls "other and broader elements vital to a just society". All of a sudden the former Bill C-186 has become an integral part of the just society. In the last parliament it was merely a controversial bill which sought to regulate the power struggle between rival unions. It has been said by its opponents that it would fragment national bargaining units and lead to serious disruptions in labour-management relations. Now, however, the government has clothed it in the garments of the just society, and I suppose it will be irresistible.

The poor man is to be emancipated as to his conduct in his bedroom. Perhaps he will be able to buy a ticket in a lottery; perhaps he will be afforded better protection if he runs foul of the law. Fine. I do not downgrade the importance of that kind of amendment to the law. But the same man may be living in wretched housing, perhaps without a job—

An hon. Member: Without even a bedroom.

Mr. Stanfield: —perhaps one of a family not receiving the necessities of life, food and clothing, deprived of the opportunity for education or recreation and with no chance of enjoying scores of amenities which people receiving middle or higher incomes take for granted.

Throughout the speech there is evidence of a lack of a sense of proportion, a preoccupation with legalistic matters, an utterly casual approach insensitive toward economic injustice and the blight of poverty in our land.

This Speech from the Throne ought to have contained, besides a reference to the backlog of business, a statement of the government's concrete intentions concerning the urgent problems facing Canadians. For example, a real, not a phony war on poverty; an indication of what the government proposes to do about unemployment, the replacement of the winter works program; the problems of students; the intentions with regard to a prices review board to combat inflation, housing, tax reform, western and other agriculture and many other items, including electoral reform.

In the third place, the Speech from the Throne should have gone on to outline the direction the government intends to take and to indicate the priorities which it proposes to establish over the life of this parliament. We are told:

> It is proposed during the current session to elucidate priorities and to set in motion new policies.

What are these new policies, these new priorities, and where are they?

The speech goes on, tediously, laboriously and pedantically, lecturing us on every manner of subject under the sun. There is a repetition of the slogan "the just society". It is already becoming almost a parody of itself. Its currency is being devalued. The speech itself is an elaborate excuse for lack of action on the part of the government. Repetition of the slogan "just society" indicates that the just society is like charity in at least one respect: it covers a multitude of sins.

We have had our suspicions about this government for a few months. Now we find our worst suspicions confirmed. During the election campaign we all read advertisements saying, "Come, work with me." Since the election we have seen the establishment of regional desks and the installation of computers. There has been talk about brain banks and talent tanks, talk about involving people in exciting adventures. A whole sophisticated apparatus has been installed. But it is still the pork barrel where the action is at.

Some hon. Members: Hear, hear.

Mr. Stanfield: So far as involving people is concerned, Mr. Speaker, many are called but few have been chosen. Even the most ardent supporters of the government must have been disappointed. The promises which were so high are already dampened, and the hope for a reasonable stride forward toward the just society died last Thursday in the first Speech from the Throne.

• (3:50 p.m.)

In five months in office this government has developed some very bad habits. It is perhaps too early to call this government reactionary, but it is certainly very casual. It is certainly insensitive. It has certainly become the most private government, the most secretive government in the democratic world. Perhaps, Mr. Speaker, they really have in mind establishing not a just society but a secret society.

Some hon. Members: Hear, hear.

Mr. Stanfield: In any case it is not just their obsession with secrecy that should raise our suspicions and our defences over the next few years. After all, they have a pretty good reason to be as secretive as possible. They have had no plans and they did not want anybody to find this out.

It is not only their secrecy that is involved. It is their strong tendency to be passive, to be careless and casual about problems that are serious and sometimes urgent—the tendency to let things simmer, to let nature take its course, to let things and people "stew in their own juice". And they play this waiting game with national problems, apparently indifferent, perhaps ignorant of the hurt and the hardship being inflicted on thousands of Canadians. It is an indifference, a carelessness that has already led to serious trouble. If this attitude is persisted in, Mr. Speaker, it will have this country in a turmoil before the government ends its term of office.

Look at the government's handling of labour-management disputes. Look at its handling of the postal strike. I suppose the government is congratulating itself that a settlement was reached within the guide lines it had established, and I suppose a few of the government's apologists are congratulating them on their success in sitting it out. What success, Mr. Speaker?

Negotiations were under way last January. The unions made their submission. But the government failed to make any money offer to its employees in the Post Office Department until six weeks after the unions had taken their strike vote. This was an incitement to strike. What kind of irresponsibility is this? What kind of example is this to set for other employees? The Montpetit report two years ago detailed shocking conditions and low morale in the Post Office Department, but the government was callous in its reluctance to press for the implementation of that report's recommendations.

So the government let the strike happen. Eventually a settlement was reached. Who says it could not have been reached without a strike? Who knows? The government never tried. Apparently the government was indifferent to the cost to the country, to the small businessman, to the disruption to the public, to the inconvenience to the public through the loss of an essential public service.

The government adopted the same casual approach to the grain handlers' strike which started in mid-July. In August Mr. Tysoe was appointed as mediator. He gave up finally, saying both sides were too inflexible. Then he went back to try to effect a settlement. In the meantime wheat troubles were deepening daily. After 54 days the Minister of Labour (Mr. Mackasey) called the parties together. If ever there was a situation calling for prompt and effective action, with vast amounts of wheat in storage and Canada's percentage of the world wheat market slipping, this was it.

I watched the Prime Minister saying in Winnipeg, "Yes, we have done a poor job selling wheat in the past but we are going to do better." They have made a fine start, Mr. Speaker, allowing the strike to continue for 54 days, with the performance of our wheat contracts being endangered and difficulties mounting in regard to making any new commitments to sell additional wheat. There was a back-up of millions of bushels of wheat in the hands of the farmers. At a time when a large, new wheat crop was expected there was every urgency, every reason to act, but the government let the situation ride. The Prime Minister said, "I am watching it." At about day 50 of the strike the Minister of Agriculture (Mr. Olson) said, "I think the employers are more responsible for this than the employees." The Minister of Labour finally did something and achieved a settlement.

Consider what this delay has cost our farmers. We in this party have grave concern about all the farmers in Canada, especially the western wheat growers. Others on this side of the house will have something more to say about this matter but I want now to condemn the government as forcefully as I can for its failure to accept and discharge its responsibility in connection with this matter.

Some hon. Members: Hear, hear.

Mr. Stanfield: One of the main reasons for labour unrest is the runaway inflation we have had for a number of years under Liberal governments. Since this government took office we have seen its failure, through its casualness, to convince the people of Canada of its determination to deal with this question. In addition we have had mounting unemployment which is creating hardship and further uneasiness among our working people.

When you turn to the Speech from the Throne, Mr. Speaker, you get another lecture on productivity. Well, we received a number of lectures from the former minister of finance. I myself have emphasized—we all have—the importance of economic growth. The Economic Council of Canada has emphasized it. But the hard fact is that Canada under this government has been falling far short of its goal of economic growth for the past three years and if this continues, Mr. Speaker, far from having a just society we are going to have a stagnant society. Certainly economic growth is a basic, central challenge to the government, growth to produce the number of jobs required, and if we do not achieve this growth then all bets are off so far as the achievement of a just or any other kind of satisfactory society is concerned.

The Economic Council of Canada has pointed out that we need an annual rate of growth of 5.5 per cent in order to develop the number of jobs required for young and new Canadians entering our work force. Since the spring of 1966 the economic growth rate has been between 2 per cent and 3 per cent, although it is a shade better at the moment. As a result we have increasing unemployment. In 1967 unemployment was at an annual rate of 4.1 per cent. This year the rate is 5.3 per cent, and of course it is much higher in some parts of the country. A total of 419,000 Canadians are out of work.

Surely this is a matter of urgency to government, particularly where older workers are concerned, particularly for younger workers without skills, and also for young students who hoped to make enough money this summer to be able to continue their education and who are now faced this fall with very

serious and perhaps permanent damage to their careers. When you couple to this the situation faced by the western farmers and the predicted slowdown in the growth of our exports over the final six months of this year, it all adds to the inadequacy of any sense of urgency in the Speech from the Throne.

We know that a large part of the problem in regard to the rate of growth is related to inflation. The economic council suggested that between 1963 and 1970 we should not permit the price level to rise by more than 10 per cent, but already by 1968 we have had inflation to the extent of 16 per cent. This is eating into our growth rate. It is taking a bigger and bigger chunk out of what the wage earner makes. It is bearing more heavily upon our pensioners, upon those with low fixed incomes. Where do we find the concern of the government expressed in the Speech from the Throne?

We know that the inflation to which Canada has been subjected is largely the result of poor management by the government in Ottawa. The former minister of finance gave us a number of lectures on restraint. In that day the government imposed restraint upon the helpless. It chose to tackle inflation by deliberately injecting a little slack into the economy, bringing about a deliberate slowdown. Now the present Minister of Finance (Mr. Benson) wants it the other way. I understand that a few weeks ago he blurted out at a press conference that his principal objective is high employment and if this involves a bit of inflation then he could stand it. So we have this process of backing and filling. What we have, of course, is excessive inflation and excessive unemployment.

• (4:00 p.m.)

What action is being taken to encourage restraint? As I said, certainly no restraint has been imposed on unemployment. The provinces on the one hand have been lectured and on the other hand blackmailed. What has happened to the prices and wages review board, or something like that, which the former minister of finance talked about last fall? Finally, in the crisis last winter the former prime minister announced that something was going to be done. Now, as I understand it, the present Prime Minister promises a white paper. I really think he is taking this thing fairly seriously. He has had two dinners to deal with this problem. It only took him one to deal with the situation last spring with regard to the question of regional disparity.

Seriously, the time for action on this commitment is long overdue. The offhand statement in the throne speech to the effect that parliament will be asked to consider proposals for a systematic and continuous review of prices and costs indicates that the government thinks this is another problem that can wait. We have had strong urging in the last couple of years from the Economic Council of Canada to implement what it calls a whole series of recommendations to strengthen the information base and public understanding which are essential for good performance and responsible behaviour in price and wage decisions. Among other things the council has called for the establishment of a standing committee on economic affairs of the Senate and House of Commons, the creation of an independent economic research institute, the timely documentation of economic trends and the stimulation of broader public debate about such trends, the substantial improvement of statistical information, especially in the field of prices, costs, productivity and income, and the development of greatly enlarged basic economic research. The council adds, "These promising possibilities suggested by the council remain largely untapped". Certainly this government is very casual in its treatment of the recommendations of the Economic Council of Canada.

There was a reference to trade in the Speech from the Throne. What has become of the allusion to a dynamic Pacific policy? The Prime Minister was going to mobilize special efforts to expand trade with the nations of the Pacific area such as Japan, Australia, New Zealand, South America, Southeast Asia, China and the eastern U.S.S.R. I hope this does not turn out to be just another election speech.

Anyone who is concerned about productivity and about growth in Canada must be concerned about the ability of our provinces to provide essential public services. If we are going to fight poverty and if we are to achieve a satisfactory rate of development in Canada by Canadians, what about the ability of the provinces to discharge their responsibilities? I am not talking about provincial rights; I am talking about the responsibilities the provinces have. This ability is essential to growth and development, education, urban development and highways, not merely local. In effect failure means national failure.

There is no need for me to go over all the reasons to indicate why the federal government should be interested in these matters. In

effect costs are escalating faster than revenues. The findings of the tax structure committee confirmed this. Last year almost all the provinces had to increase taxes and despite that had large deficits. I suspect that this government intends to stand pat and let the provinces stew in their own juices. But this is not good enough. I say that the government of Canada must stop using the knee and the elbow on the provinces because it is the taxpayer who is getting hurt. The situation is rapidly becoming intolerable. Today we have bigger and bigger chunks of our income going toward taxes. Yet federal taxes increased last year and provincial and municipal taxes increased last year. The average municipal property tax increase across Canada has gone from 8 per cent to 12 per cent in the last number of years and this year will be as high if not higher.

We must ask ourselves when this will stop. The way to begin to stop is by having discussion and agreement on priorities. The provinces want to talk but the government seems to be reluctant to talk with them. The country today is not getting a co-ordinated approach. This is only possible if there is active co-operation. There is only inaction in respect of the request of the provinces to meet with the Prime Minister to talk about tax reform. He said he would not meet with them on that subject.

In this regard the attitude of the government toward the provinces on the subject of medicare, for example, is not only cold but borders on the irresponsible. I believe that the provinces want a program of medicare but nearly all the provinces are concerned about the financial effect and the effect it would have on their other programs of high priority. Obviously the pressure to join in the federal program is mounting because the taxpayers across Canada are paying their share of the cost of the program in the provinces where the program is in effect. Here again the provinces have joined in asking the federal government for discussion in this regard and have been refused. Surely this makes a mockery of the reference in the Speech from the Throne to priorities.

What a piece of cynicism it is now for the government to embark on a federal-provincial study of joint programs as announced recently by the Prime Minister. It is not only the provinces which have concern about some of these things; it is also the cabinet. The Postmaster General (Mr. Kierans), as reported on January 16 by the *Globe and Mail*, said:

> If we insist in going ahead the kind of weight that we put on the economy is going to result—not by itself, but in combination with measures we take if we even ever take them to resolve our housing problem and our other problems—is going to put pressure on our economy to the extent that we will be facing a devaluation within a year or two at the outside.

This is what the present Postmaster General said in January. Again, in Halifax he said that the extra taxes medicare would require would hurt Canada's export position. Then in Toronto he said:

> I want medicare, and I want it very badly, but I don't want it with a financial crisis.

Then we have the new Minister of Fisheries (Mr. Davis) who said that medicare should be postponed until such time as it can be financed without tax increases and that medicare should not be implemented until two-thirds of the provinces with two thirds of the population are prepared to join. We have no less a figure than the deputy prime minister, the Minister of Transport (Mr. Hellyer), saying, as quoted in the Ottawa *Citizen* of January 15, that a second look at medicare is needed. Then the following appeared in the Montreal *Gazette* for January 12:

> Government's medicare policy is "a little inconsistent". This inconsistency comes from the fact that the government is urging restraint on the one hand, while encouraging wide-scale spending on the other. Mr. Hellyer indicated that if he wins the leadership at the April 4-6 convention, he will launch a complete re-appraisal of the medicare plan.

In the light of these opinions within the government and the clear difficulties of the provinces with regard to mounting taxes I ask why the government of Canada will not meet with the provinces to discuss the financial problems pertaining to this program. Is this sort of political blackmail consonant with the "just society"? We on this side of the house said we would meet with the provinces to discuss this matter with them. This surely is obviously right. Many members of the present cabinet obviously think it is right and said so quite freely when they felt free to say

• (4:10 p.m.)

The most striking indication of coldness and casualness in the Speech from the Throne toward the poor people of Canada is that there is apparently plenty of room for the poor in the just society envisaged by this government. In the Speech from the Throne we were given a lecture on the difficulties, complexities and the time it takes to do something about poverty. We all know that. We

did not need a lecture on that. What we needed, Mr. Speaker, was a challenge to us and to the people of Canada to attack this problem. What we needed was action. Of course, any serious anti-poverty program is complex and requires time. That is why it is necessary to start now. So far as we can judge from the Speech from the Throne, even a start on the anti-poverty program is some distance away.

I have long felt that the extent of poverty in Canada is a national disgrace. I have said here that I have dedicated this party to fighting it now. We realize it is difficult. We realize it takes time. We made proposals which were somewhat twisted and suggestions of irresponsibility were made. The members of the Economic Council of Canada, Mr. Speaker, are not irresponsible and they have thoroughly supported the position I took. Look at the names of the members of the Economic Council of Canada! You will find there some of the most responsible men in Canada. They find that poverty is a disgrace, that it is widespread. They find that present programs are inadequate and frequently trap people in poverty, involving as they sometimes do a 100 per cent tax on any earnings. The economic council finds a need for bold new approaches, both in terms of adequate coverage and in terms of rehabilitation. They suggest an examination of proposals such as the negative income tax now being considered in the United States, since it may play a possible role in getting people off welfare and back into the mainstream of society. Above all, the Economic Council of Canada emphasizes, as we have, the urgency of meeting the provinces and planning a start.

One might ask about costs. Let us consider the costs as they are today, the money cost of present programs as well as the hidden costs in respect of poverty, suffering and frustration, and the harm being done to our rate of growth and productivity. I say, Mr. Speaker, that constructive measures to fight poverty are demanded by any country wishing to use wisely its human resources. We must finance this program from growth, but we must start our planning now. The Economic Council of Canada challenged the Prime Minister, challenged the government. I challenge the government.

So far as the Speech from the Throne is concerned what we have is not a program but a lecture, a pretence, that the projected department of regional development constitutes a measure against poverty. The government of Canada has done precisely what the Economic Council begged us not to do, that is, confuse the problem of economic disparity with the problem of poverty which exists right across our country, even in our most prosperous cities.

I say that in the light of the report of the Economic Council of Canada the Speech from the Throne is a failure and shows a lack of understanding. This is the same government which recently abolished the program of winter works. Of course there were abuses in the winter works program. Of course there were reforms that should have been made. But the decision to cancel was wrong. We will see just how wrong it was when we get the statistics on unemployment in the course of this winter. There might not be much suffering in this comfortable green chamber but there will be plenty of it across Canada.

The decision to cancel the winter works program was wrong from the point of view of time, wrong from the point of view of the provincial-municipal partners since there was no serious consultation or examination of the effects. The decision was wrong because of the phony case the Prime Minister made to support his decision. The manpower programs are not applicable to many who would have benefited this winter from the winter works program. As the Toronto *Star* indicated, the critical question is whether the federal government has a better program to replace it. If it has not, there will be unnecessary suffering in Canada this winter and there will, of course, be an additional burden on our municipalities.

I mentioned regional disparity, and presumably I will have further opportunities to discuss this subject when the bill comes forward establishing the new department. I just want to say this to the Prime Minister, Mr. Speaker. A few months ago he created high expectations with regard to curing regional disparity. I want him to know that we are going to hold him to those expectations. What happened to that Marshall plan for the Atlantic provinces? The only action so far of which anybody is aware is consideration of whether or not the Prince Edward Island causeway ought to be deferred. The Speech from the Throne ignored virtually everything the Economic Council of Canada had to say about economic disparity. There was no mention of the problems of transportation, and the findings of the Economic Council of Canada were that the policies of the federal government in the past have probably hindered as much as they have helped in curing economic disparity.

There is no recognition in the Speech from the Throne of anything like the degree of co-ordination of policy which the Economic Council of Canada recommends. We will hold this government to its commitments. I want to say that so long as the government of Canada continues a stop-start policy, starting the economy up and running into excessive inflation, tightening things up and slowing things down, thus killing any development there may be in those areas suffering from economic disparity, so long as the government does not do better than that with regard to anti-inflationary programs there will be no rapid cure or even substantial improvement in economic disparity.

Then, Mr. Speaker, we come to the problem of housing which is related to poverty but, of course, is a much broader question. There is no need to elaborate on the failure of government policy in recent years in the field of housing. The hardships inflicted on thousands of families as a result of rapidly climbing rents are well known. Even the city of Ottawa has asked the province for the power to control rents. These conditions are directly attributable to economic conditions in the country.

The Economic Council of Canada estimated there was a need for an average of 190,000 new units a year between 1966 and 1970. In order to meet this goal we are going to need over 221,000 homes each year in 1969 and 1970. We can hope for the best but in view of the performance of this government in recent years we really have not too much foundation for hope. The Minister of Transport (Mr. Hellyer) is going off with his task force. Again, I hope for the best. I am sending a representative to keep me informed and do what he can to help in the development of government policy. They seem to need some help. When the Minister of Transport was asked whether he thought this task force would reveal anything new he said that he had a sneaking suspicion or intuition that it would. I pity the people of a country who must rely on the sneaking suspicions of the Minister of Transport.

• (4:20 p.m.)

One wonders about this task force, when Central Mortgage and Housing Corporation is going to subsidize another, more promising effort, the conference sponsored by the Canadian Welfare Council in Toronto next month, and there will be people representing the official opposition there, too. This task force of the Minister of Transport is a one-shot effort. We have suggested a continuing task force with provincial and municipal representation, able to take account of different regional needs, different regional problems and different regional opportunities, but this has been brushed aside. The experience with previous regional seminars sponsored by the former minister is not very encouraging; we know that.

Then, of course, we have the question of the phenomenal interest rates that existed a few months ago and have trapped thousands of Canadians into being committed to paying astronomical interest rates for years because of the errors of judgment made by the Liberal government in Ottawa.

Some hon. Members: Hear, hear.

Mr. Stanfield: When, in the course of the election campaign, I made a very modest suggestion, trying to afford a little relief to these people who were trapped by the folly of the government, the reply of the Secretary of State for External Affairs (Mr. Sharp) was that my suggestion would upset Bay street. If this is the sort of basis which he uses for policy judgments, it is no wonder that his attitude with regard to Czechoslovakia and Nigeria has been so mechanical and insensitive. I am sorry the minister is not in his seat.

Mr. Woolliams: And not very sensible.

Mr. Stanfield: So far as Czechoslovakia is concerned the attitude of the government seems to be pretty well summed up in the admission of the Minister of Manpower and Immigration (Mr. MacEachen) last week that it was only a week before—I think on September 6—that he had instructions sent to his immigration people in Europe to render assistance to Czech refugees.

Mr. Muir (Cape Breton-The Sydneys): He is still trying to figure out Inverness.

Mr. Stanfield: It was a long time after Russia had invaded Czechoslovakia that the minister moved. This is a pretty good indication of the detachment of this government with regard to the problems of Czechoslovakian refugees. I say, Mr. Speaker, that Canadians are not at all proud of their government in this regard, and they are not all proud of the government's half-hearted response to the starvation and misery in Nigeria. Far from reassuring Canadians that we are pulling our weight in trying to alleviate this extreme tragedy, with genocide perhaps involved, the response of the Secretary of State for External Affairs to questions asked him in the House of Commons on the Friday last simply

confirmed the very widely held view among Canadians that this government has not been exerting itself and is not willing to do so in the face of this great tragedy.

The suggestion by the minister that the Organization for African Unity should be the sponsor of any appeal to the United Nations is completely inadequate, a lame excuse by a lame government. Thousands of members of the commonwealth are dying daily. The O.A.U. nations are not anxious to bring this question to the United Nations. They feel, I suppose, that it would be an admission of the ineffectiveness of their organization.

The O.A.U. opened its sessions on Friday. The Biafran war was the sixth item on its agenda. Four African nations appear anxious to discuss the question. In any case, how can a Canadian minister argue, in effect, that the Biafran question is a strictly African matter when Britain and the U.S.S.R. are so deeply implicated? The statement by the minister that no government is more active in providing pressure for a settlement, or more generous in providing relief, is a typical bureaucratic dodge. Surely Canada's performance is not to be judged by the performance of others but rather by the effectiveness of what we are doing.

I am told that women and children are dying at the rate of some 6,000 a day. They cannot live on comparisons. I say that Canada must lead. Canada must lead where others have failed to lead or are unable to lead. Britain, the U.S.S.R., France and the United States are either implicated or unable to act. We in Canada have a special responsibility. The commonwealth still exists, despite what some people think, and these people are brothers of the commonwealth.

The government of Canada should stop sitting back, trying to avoid its responsibilities, and should get to work. The government of Canada will have the people of Canada fully behind it if, even at this late hour, it bestirs itself to act. The casual attitude of the government has left a bad taste in the mouths of our people and certainly makes us look pretty cold.

There are many items which we will be discussing at another time, matters relating to NATO, NORAD and the whole field of foreign policy. It must be clear by now why we on this side of the house wanted an earlier sitting of parliament. We wanted it in order to get to work and to get the government to work on the backlog of legislation. We wanted to try to stir the government out of its casualness, to wake it up and get it moving.

In judging a government one has to be realistic. It would be nonsense for me or anybody else to attack the Prime Minister and his colleagues for not solving in five months all the problems of this country, many of which have been around for a long time. I can certainly be this generous: I will not even attempt to emphasize the legacy of failure they left the country under a former and different government in which 16 of them served, 7 since 1963.

However, I want to make the point that the present and future failures of this government cannot be attributed to inexperience. When the election was over, Canadians hoped that the government would achieve the expectations it had aroused and would begin to deal with these problems that have been too long ignored. The throne speech is not merely a disappointment of high expectations. That would be bad enough. The speech signifies a failure of responsibility to deal with problems which cannot be delayed and are not academic.

The excuse has been made that this is the first throne speech of a four-year parliament and therefore the government can be excused for concentrating on old promises and proposing nothing new. That is a very empty excuse. Surely this government is not so isolated from the real problems of the country as to think that the only backlog they have to worry about is on the registers of parliament. If they think there is a backlog of business here, let them look at the backlog of business in the country.

The effect of this throne speech is to commit parliament for at least another session to the priorities of the former administration, priorities which were inadequate even in their own day and which it would be very wrong to continue today. It would be rather as though the late President Kennedy had chosen in his inaugural speech to announce that Harry Truman had left a few things undone and he had a list of them right there. President Kennedy did not do that because his was a government of genuine commitment, a government of the heart as well as the head.

• (4:30 p.m.)

All around us there is accumulated in the country frustration, dissatisfaction, dissent and protest that has often descended to violence—protests against the failure of society to eradicate poverty, overcome prejudice and discrimination, and to find ways of living at peace rather than in conflict and war. Does this government really think that time is on its side, that it can plod its way mechanically

and methodically through the agenda of the last parliament, and that Canada will be immune from the forces of dissent and challenge that have erupted everywhere else in the world? There is not a chance. These forces are born out of disillusionment and frustration, and disillusionment and frustration will soon set in in this country unless the government exerts itself to honour the expectations it aroused.

The most serious failure of the Speech from the Throne is the simple failure of commitment. This is not merely a dry document; it is almost inhumane. A stranger reading the throne speech would conclude that we are a country with few problems and not one bit of passion, a country whose most serious business is to listen to lectures about the nature of justice. Men were striving for justice in society long before this government discovered its mission and they will be striving for justice long after this government is gone and forgotten. But the process will not be advanced if we debase the goal of justice by making it an empty promise or an abstract slogan.

Some hon. Members: Hear, hear.

Mr. Stanfield: It will not be advanced by a government which constructs plans and ignores people, nor by a government which, faced with the urgent priorities of poverty and unemployment, lagging growth and serious restraints, chooses to confine itself principally to legal conceptions and the inadequate priorities of the past.

The government warns us in tones of piety that there are no simple solutions. That is not news to anyone on this side of the house. It was not this party which trafficked in the illusion of simple solutions. But if solutions are not simple, they are at least possible. If they cannot be achieved immediately, and often they cannot, they can at least be begun. And there has been no beginning in the Speech from the Throne.

It is bad enough that the first Speech from the Throne tells us nothing of the plans of the government to meet the urgent and immediate problems of the country. What is worse is that we still know nothing of the long term plans of the government. Canadians do not know what the government plans to do with Canada. The ministers had a chance to state their plans for Canada during the election campaign and they chose not to. They had an obligation to do so in the throne speech and again they have refused. On that record it is fair to conclude that they have no plans, they have no commitments; they are simply not prepared to provide the leadership this country needs and wants.

We are at the beginning of a new parliament and at the beginning of what could still become a new era in Canada. During the celebrations last year this country became alive again and aware of its potential. There was everywhere the sense that Canada could become a nation of excitement and of excellence. We all knew it would not be easy but we also knew that fortune had been good to us. We are a nation unlike any other in the world, rich enough in wealth and opportunity to make the promise of equality come true and rich enough in cultures and in learning to set a high example for the world. There was a sense that we were a nation whose time had come. It was in such a spirit that we entered the election from which this parliament has come. Frequently in that campaign I urged Canadians to elect a government which would be worthy of this country. It is a personal tribute to the Prime Minister that many Canadians believed they had elected such a government. It is a matter of profound regret that default should be so immediate and so grievous. It is for this reason that I move, seconded by the hon. member for Peace River (Mr. Baldwin), the following amendment to the address:

> But we respectfully regret that Your Excellency's advisers have refused to recognize or respond to Canada's current and urgent economic and social problems; and have failed to provide parliament with an agenda of priorities to define and implement the "Just Society".

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I would like to begin my remarks by paying tribute to my distinguished predecessor, Right Hon. Lester B. Pearson. If he had simply withdrawn to a well earned retirement, I would have wanted to say a few words about the long years of service which he devoted to the international community, to his country and to this house and about the many achievements which history will record under his name. How much more does he deserve our respect and gratitude for continuing his service to mankind on a truly global scale. All of us in this house who have known and worked with Mr. Pearson are aware of his deep interest in what may be the most important issue of our age—the division of the world into rich nations and poor. We can share Mr. Pearson's evident pleasure that as leader of a special task force for the World Bank he has found a way to

make an important contribution to our knowledge of this problem and to our search for practical solutions. I am sure that all members of this house would wish to join me in expressing our admiration for this great Canadian of world stature and in wishing him success in his challenging task.

[*Translation*]

Mr. Speaker, I listened with great interest to the speeches of those who moved and seconded the address in reply. I was very much impressed by those two young candidates when, last spring during the election campaign, I spoke in their respective electoral districts.

Their speeches last Friday expressed clearly and logically their interest in, and I would even say, their devotion to the common weal, generally, and to the rights of minorities, in particular, and confirmed my opinion that they will become outstanding members of this house.

I also wish to welcome all the members who have been elected for the first time and those who have been re-elected.

Looking about me this afternoon, I have the feeling that the members constitute a parliament of extraordinary calibre. It was pointed out to me that the average age of the members is lower than it was in former parliaments, but that does not mean that in certain cases, those who have replaced older members lack experience or maturity. On the contrary, many of the new members have already had extremely successful careers in other fields, and are capable of contributing immediately to the knowledge and judgment on which any good legislation depends.

The Leader of the Opposition (Mr. Stanfield) claims that the Speech from the Throne rather surprised and disappointed him. He said it was a failure. The contrary would have surprised us.

In my opinion, had the speech been dictated by the Holy Spirit himself to the governor general, the Leader of the Opposition would have deemed necessary to present a motion of non-confidence to the house.

Some hon. Members: Hear, hear.

Mr. Trudeau: I must say, therefore, that his opinion did not upset me too much. I did not expect him to like the Speech from the Throne, but I did not expect him to be surprised either, nor did I expect him to say of the speech that it was a "failure".

All through last spring he told Canadians that if they elected our government it would be disastrous from every point of view. When the new cabinet was appointed, early last summer, he repeated that it was a major disaster. He should therefore not be surprised that the speech fell short of his expectations.

Still, certain aspects of the speech held his attention—we will come back to that later. However, there is one aspect on which I had not, until now, felt the need to speak and which the governor general did not bring up in his Speech from the Throne; namely, that of the monarchy.

I shall merely say that we are not of those who constantly feel the need to protest their loyalty in this regard.

I think that it is the responsibility of the opposition to oppose, but in my opinion there might have been a slight exaggeration when the Speech from the Throne was described as a failure.

I would not be surprised if the acting leader of the New Democratic party (Mr. Lewis) should feel compelled to move a subamendment to deplore its deficiencies. But what is important, Mr. Speaker, is what we are going to do in this house—in short what all the members are going to do to contribute to the formulation of a forward looking legislation which will meet the problems, and it is a little on that subject I should like to speak this afternoon.

• (4:40 p.m.)

[*English*]

During the life of this parliament we will be called upon to discuss many important issues. But surely the central questions we should be asking ourselves at the beginning of this first session are about the kind of country in which we want to be living and the directions in which we should be moving to build such a country.

Part of the answer to these questions is quite clear from our experience in the election. It is obvious that the Canadian people in all regions feel concerned as never before about the future of the country and the quality of life it will offer to the individual. They are enthusiastic about that future and have great confidence in it; greater confidence, I must say, Mr. Speaker, than the opposition has ever shown or than the Leader of the Opposition (Mr. Stanfield) managed to show in his speech this afternoon.

The people of this country want to live in a land with a rising standard of living, equitably distributed among regions and individuals. They want a social security system which will underwrite the risks and hazards of

modern life and provide minimum standards of health and welfare for every citizen. They want a country which is in the forefront of scientific and technical advance and which is adequately equipped with facilities for education and research. They want a society which has not lost sight of man's spiritual values, of his unquenchable thirst for beauty, for the pleasure of the mind and the body, and for companionship and solitude. In short, their expectations are extremely high.

The phenomenon of rising expectations has been observed in all parts of the world as communications and education improve and as the disparities between regions and countries become more evident. In Canada it is intensified by our proximity to the most prosperous nation in the world and by our increasing awareness of the enormous potential of our human and natural resources.

While it is desirable for a country and its government to be spurred on by the high expectations of its citizens, it would be irresponsible for political leaders not to point out the limits of the immediately attainable at any point in time. One obvious limitation to government action is the available supply of resources, not just financial resources but those of intellect, environment and time.

In marshalling its financial resources the government must co-ordinate its policies and actions with the over-all demands of the Canadian economy. It cannot, for example, ignore our pressing need for capital accumulation and investment.

The comparatively large number of young people in Canada creates a high demand for capital in housing, education and training institutions, and in the creation of new employment opportunities. Our national resource industries, which must be developed on a large scale to achieve low production costs, and our transportation and communication facilities, which are so important to the development of the country, require large amounts of capital.

Both our taxation and our borrowing policies must reflect these necessities. It would be self-defeating if the rate or incidence of taxes was to inhibit the growth of the economy or if the amount of government borrowing was to absorb a disproportionate share of available capital and exert inflationary pressure on interest rates. All these factors impose severe limitations on the size of government revenues.

[Mr. Trudeau.]

Even if the government were to introduce no new programs, the costs of some existing ones will rise faster than any reasonable estimate of the rates of growth of our economy and of government revenues. Under federal-provincial arrangements which now exist in the field of health services, welfare programs and post-secondary education, for example, developments over which the federal government has little or no control will result in substantial and continuous increases in the demands on the federal treasury. The magnitude of this problem is apparent when we realize that the costs which are shared by the federal and provincial governments in these activities could more than double in the next four years from their current high level of approximately $3.5 billion.

In the case of new programs and expenditures it is not sufficient that they be desirable in themselves. They must be justified in relation to all competitive claims on the limited supply of resources. For example, the undeniable need for public investment in scientific research cannot be considered in isolation from the ever-rising costs of social welfare.

That is why it is an essential and continuous responsibility of government to choose, to plan and to set out priorities. As people demand more services of their governments this task becomes ever more complex. Valid choices can only be based on a thorough knowledge of the alternatives and on an estimate of the comparative costs and benefits of such alternatives. For this reason, we attach particular importance to the establishment of a research institute to assist government in its long term planning, similar to those already operating in other countries. This institute would conduct fundamental research both for the federal government and for those provincial governments who wish to avail themselves of its services. While initially it would be in part publicly financed, it would be an independent and autonomous institution. It would work closely with the proposed international development centre and should provide an important data and information bank which would be readily available to universities throughout the country.

• (4:50 p.m.)

Within the cabinet we have established a committee on priorities and planning whose function is to allocate our present and our estimated future resources according to the urgency of the demands on them. The balance between demands and resources can never be

finally established, but in the present circumstances of competing demands and rapidly rising costs we must exercise the utmost restraint in introducing new programs or expanding existing ones. We must terminate any programs which have been replaced by more productive ones, and we must defer any which are not immediately essential.

In the past few weeks we have demonstrated our resolve to implement this policy by our decisions on the winter works program, the freeze on civil service growth, and other cuts in expenditure. We have also issued explicit guide lines to be used in the preparation of the estimates for 1969-70 and we will not hesitate to take whatever other actions may be necessary to restrain the growth in our expendiures.

Another inescapable limitation on the government's ability to satisfy the demands of many citizens results from the federal nature of our state. If federalism is to work, each level of government must restrict itself to those matters allotted to it under the constitution. Thus it sometimes happens that when citizens bring acute social problems or even injustices to the attention of the federal government, we find that the immediate remedy lies in the field of provincial action. In such cases, however strong our feelings on the subject, we have no alternative but to advise them to direct their complaint to their provincial government.

Of course there are complex problems whose many facets do not lie exclusively within one jurisdiction and which can only be resolved by co-operation between federal and provincial governments.

[*Translation*]

I think, Mr. Speaker, that it has been somewhat fashionable for some years now, to consider with a touch of irony that form of co-operative federalism, but if a federative system of government is to operate, it is obvious that this kind of co-operation is not only useful but absolutely indispensable. I want to reassure the Leader of the Opposition who seemed to indicate that I had refused to discuss with the provinces a number of problems relating to the matter of costs and cost-sharing programs. In fact, I want to remind him what I said again this afternoon in reply to a question put to me just before he rose. For quite some time, and no later than a fortnight ago, meetings had been held between federal and provincial officials preparatory to a federal-provincial conference where all those problems, those cost-sharing programs would be discussed, provided of course that the provinces choose to put them on the agenda.

Consequently, let him be reassured, we believe in the co-operation of the provinces and the federal government; we think that many of those questions can be settled only as a result of negotiations which could last for some time. But we are optimistic.

I want to reassure the Leader of the Opposition by telling him that I also wrote to all the provincial premiers during the summer to advise them about the meetings at the official level, in preparation for the federal-provincial conference at the government level. Moreover, I recently invited them by correspondence to find a date—during November or December—in order to continue this federal-provincial conference on constitutional questions to which we attach the highest importance.

[*English*]

Within these limitations, I would like to mention a few of the top priorities for government and parliamentary action over the next few years.

A primary responsibility of the federal government is to represent the Canadian people in international affairs.

Had the world required any evidence that the course of international events cannot be predicted with accuracy, it came forcefully in the latter part of August when several of the Warsaw pact countries invaded another of the Warsaw pact countries, Czechoslovakia. And had Canadians required any evidence that there are very real limitations to effective freedom of action in the international arena, it was provided by this same event.

We in this country are not so immature as to believe that we can, in effect, be the sole masters of our destiny in this changing and challenging world. We know that total freedom of action is not possessed by even the mightiest of world powers; that we live in an interdependent age which creates both its own expectations and its own frustrations. With these facts we are familiar. With these facts we must be prepared to live.

Our objectives must be pursued within the perimeters of our geographical position, of our dependence on foreign trade, of our special relationships with NATO and commonwealth members and those other countries, such as the French speaking states, with whom we have particularly close ties, and

with those international organizations, particularly the United Nations, of which we are a member.

As we reappraise our place in the world, we need to give careful thought to our relationship with the United States. This government attaches importance to continuing the close and effective consultation we have enjoyed with the United States over the years, and this house is well aware of the numerous institutional arrangements that exist for this purpose. It is essential that this relationship should be pursued with the clear understanding, however, that Canada intends to have a distinctive personality and genuine role in the world separate from that of the United States.

Some hon. Members: Hear, hear.

Mr. Trudeau: I need not remind the house of the difficult problems that continually arise to bedevil Canada-United States relations. We must approach the solution of these problems with good sense and with a genuine appreciation of where Canada's real interests lie. I am confident that this motivation of our genuine national interest will be understood and, indeed, in the long run, welcomed in Washington. We, for our part, must also seek to understand the great burdens which fall on the United States by virtue of its leading role in the world, even though we may frequently disagree, sometimes quite strongly, with their policies.

One of the primary purposes of our foreign policy must be to ensure the political survival and independence of Canada. Such a policy should reinforce our national unity. Such a policy we propose to pursue. We propose in these respects to continue the consultations already commenced with provincial governments to establish procedures which take account both of the legitimate aspirations and needs of the provinces and the need to ensure that Canada remains strong and united and speaks abroad with one voice. It is intended that greater advantage be taken of the many opportunities inherent in the bilingual character of Canada to develop further our external, political, economic, and cultural relations abroad.

• (5:00 p.m.)

The review of Canadian defence policy commenced earlier this year is progressing, taking into account recent events, and anticipating so far as is humanly possible the course of world events as they may be expected to unfold.

[Mr. Trudeau.]

The review of Canadian foreign policy is continuing apace. Among other events, plans are now complete for the departure of a ministerial-level mission to South America in a few weeks' time. This mission will be charged with demonstrating to our western hemisphere neighbours the importance which the government attaches to our relations with them, and with the task of studying how best to promote these relations and Canada's interests in this hemisphere.

It is our deeply held view that despite the contribution which external aid has made, and continues to make, to the betterment of conditions in the developing countries, it cannot by itself provide an answer to the problem of the ever-increasing disparities between the developed and developing parts of the world. For this reason, we feel it necessary, while continuing to expand our aid efforts, to devote ever greater attention and energy to the provision of opportunities for these countries to better their lot through their own trading efforts.

In this spirit we are working with others to secure better trade opportunities and international financial arrangements for the developing countries. For example, we are most active in current negotiations for commodity agreements relating to certain tropical products important to a number of developing countries. As well, arrangements are being improved to encourage Canadians to place their energies and talents at the service of developing countries and to provide incentives to Canadian business and industry to participate in development projects.

[*Translation*]

I would like, Mr. Speaker, to add a few words about the relations between Canada and France.

The Canadian government feels that it is of the utmost importance to maintain and develop the closest ties with France. Those ties are even more important at a time when the government has undertaken to strengthen the rights of the French-speaking Canadians throughout the whole country, at a time when the government has stressed the need to protect the right of the people to get their education and to communicate with the governments in the language of their choice.

We are very happy about the help that France and the other French-speaking countries might want to give Canada to further the French language and culture in our country. But we also want the French government to provide that assistance in such a way that

it will improve the situation of the French-speaking Canadians throughout the country and not in a way that might contribute to divide our country. It is because that matter is of fundamental importance and not only a matter of protocol that the government feels that it has the right to be informed, consulted by the French government about activities such as those which made front page news these last few days. The government of Canada has made its position known to the French government.

But before ending my remarks on international matters, I would like to say a few words about the way many Canadians react at times of crisis in international affairs. Whether it is about Viet Nam, Nigeria or Czechoslovakia, Canadians have been less concerned with the political or military consequences of the events than by their impact on the human being. Canadians somewhat identified their interests with those of wretched people in each of those countries. It seems to me, Mr. Speaker, that such a concern shown by individuals for individuals is a very noble characteristic of Canadian opinion today.

Some hon. Members: Hear, hear.

Mr. Trudeau: This generous concern is certainly the supporting strength for a great many activities in university circles, for instance, and in other spheres, when they protest against the use of force or violence.

Those who want to find excuses are greatly tempted, at the time of a conflict, to hide the sufferings of peoples and individuals behind a surface of patriotism or pride. Reasons of state are often invoked and it is to the credit of all Canadians, especially the young, Mr. Speaker, to have shown that they do not accept automatically reasons of state as an excuse for suffering and death. They think of war in terms of human beings; they think of it in terms of women, children and innocent persons, victims of events. They ask questions which, until now, were primarily a subject of concern for philosophers or poets. Let us recall Pascal who said: "It is a fine kind of justice that has a river for its boundary". One remembers these remarks of a man who told another: "Since your prince is at war with mine, I must kill you".

But nowadays our youth, all our Canadian people are concerned about those problems, are acting as our conscience and for that we are grateful to them. I am deeply encouraged in seeing that in Canada such a sense of compassion was shown towards the starving people of Biafra, towards the refugees from Czechoslovakia and the village inhabitants in Viet Nam. That indicates the very deep human qualities of the Canadian people. On the other hand, I acknowledge the feelings of anger, futility, frustration, on the part of many Canadians, on account of our apparent inability to reduce such suffering. I acknowledge those feelings of frustration and anger as I believe we all have a share in them. They were expressed in this house last Friday, by the Secretary of State for External Affairs (Mr. Sharp) when, having been asked about our efforts to assist the refugees from Biafra, he indicated the difficulties holding back the efforts of Canadians to assist the parties in the conflict.

[*English*]

It is generally agreed that the most feasible channel of food aid and medical assistance to all the people of Nigeria is provided by the international relief agencies. We have accordingly supplied considerable quantities of food and other relief items to the International Red Cross which is co-ordinating these activities, and have promised additional help, such as the provision of cargo aircraft, wherever and whenever that help can be used. The difficulties which stand in the way of these humanitarian efforts come not only from the federal government of Nigeria, however; they come as well from the authorities in Biafra. The airlift relief supplies organized by the Red Cross and agreed to by the Nigerian government could not proceed because of a refusal of landing rights from Biafra.

• (5:10 p.m.)

I also want to speak about our humanitarian response to the events in Czechoslovakia. Our efforts are concentrated on assisting Czechoslovak refugees to settle in Canada. I think we can be justifiably proud of our record in this respect. Over the week end 280 refugees arrived, 267 of them on government sponsorship.

Some hon. Members: Hear, hear.

Mr. Trudeau: On Tuesday and Thursday of this week two more flights will arrive, totalling 266 persons. We are continuing to process applications. Our embassy in Vienna is conducting 150 interviews per day. As of Friday last the number of inquiries from Czechs

totalled 2,374; the number of actual applications for entry to Canada, many of them involving entire families, was 901.

In all these matters, Mr. Speaker, we are limited, but we must never cease trying. We must never accept the view that there is nothing we can do. For these reasons I welcome the evidence of widespread Canadian compassion. I welcome suggestions from any source of ways that we might help our fellow man.

Cynicism and detachment are not part of the Canadian character. They have no place in our foreign policy. I will not accept them as synonyms for realism.

Some hon. Members: Hear, hear.

Mr. Trudeau: Turning to our domestic problems, perhaps the most intractable is the continuing poverty of far too many of our citizens. The Leader of the Opposition (Mr. Stanfield) dwelt at some length on this subject. I would like to do so too, Mr. Speaker. I would just add that we did not wait for the report of the economic council to discover this very great tragedy in Canada.

Some hon. Members: Hear, hear.

Mr. Trudeau: This problem, however, is one which goes back into our history and which is made more acute by our geography. Even in a unitary state with unlimited funds and manpower we could not eradicate it in a short period. But if we are to live up to the expectations of the Canadian people we must make the best use of available techniques and devise new and better ones to deal with this cruel and costly blemish on our increasingly wealthy society.

I have often mentioned the responsibility of the more affluent segments of our society toward the less privileged ones. The majority of us have already satisfied our right to a minimum standard of satisfactory living. It is those who have not who need government help.

In order to focus programs on those who need them we must define, with as much clarity as possible, the essential components of a minimum standard for satisfactory living—not a subsistence standard but one which allows for dignity and decency. Defining the components of such a standard is a tremendously complex task. Yet, Mr. Speaker, it is something which must be done if we are to fashion the tools with which to measure, with some precision, social investments. The development of more accurate tools of measurement is one of the first tasks which confronts a government determined to improve the effectiveness of its social programs.

Meanwhile, poverty cannot wait. Many of our people need help now. Most Canadians are unaware of the scope and scale of the programs at present available in this field. A recent index lists 159 of them. This is our common legacy from previous parliaments. They range from manpower retraining programs to student loans. In 1966-67 income security payments and health and welfare services cost Canadian taxpayers $5.4 billion. We have recognized that these measures, often devised on an ad hoc basis and never properly co-ordinated, are no longer adequate to deal with our current problems.

As a first step towards better co-ordination—and here again we did not wait for the report of the economic council to discover this—we have consolidated all our regional development programs into a single department. For several months the government has been carrying out an over-all assessment of its social security programs. The conclusions reached will enable the cabinet to consider alternative methods of ensuring that our diverse efforts in this field are concentrated in the areas of greatest need.

While poverty is a condition that exists in all parts of Canada there are particular aspects of the problem of underdevelopment and underemployment that relate to certain regions. While there are local exceptions it is broadly true that those areas of Canada east of a line at about Trois-Rivières have not shared in economic growth and development to the same extent as areas west of that line. The Atlantic provinces are deeply concerned by this problem and, indeed, at the constitutional conference of last February the premier of Nova Scotia stressed that the reduction of regional disparities must be one of the objectives of a healthy confederation for the future. This government fully shares that view, and it is for that reason that we made a matter of priority the consolidation of all regional development programs into a single department.

Substantial progress has been made since the government took office on the governmental reorganization that is necessary to achieve these and other objectives that I announced on July 5. Since that time 12 special task forces have been at work sorting out all the details of organization, personnel and

administration that are involved in these changes of function. Legal provision has been made, in so far as it is possible, under the Public Service Re-arrangement and Transfer of Duties Act, and the new departments are operating in fact although they cannot be fully organized and cannot exist in name until legislation is passed by parliament. That legislation will be ready for parliamentary consideration just as soon as it can be reached in the program of work that I announced on September 12.

No government concerned about either the economic or the human development and future of this country can fail to be closely interested in the northern parts of Canada where so much development is still to be achieved and of which we hope so much. That is why I thought it right that my first major trip in Canada after becoming Prime Minister should be to the Yukon and the Northwest Territories. It was not my first trip to the far north but it was by far the most comprehensive. Like all who have travelled there I was overwhelmed by its vastness, impressed by the beauty of many areas, concerned by the human problems of many of its people, and inspired by the prospect of what I feel sure we can achieve.

A great deal has been accomplished in bringing education, vocational training and better housing to the Indians, the Eskimos and others resident in the north, but much remains to be done. The welfare of these people must be a major and active concern of the government, and a vitally important part of that concern must manifest itself in our efforts to stimulate the economic development on which future employment and prosperity will depend.

It was for this reason that the government, under the initiative of the former minister of Indian affairs and northern development, entered into participation with Panarctic Oils Limited for a major oil exploration program in the Queen Elizabeth Islands. This was the first year of that program and already it is ahead of its initial plans. More than 600 miles of seismic work has been done and more than 1,000 miles will be finished by the end of the year. The first drilling, based on the results of the seismic work, is planned for March, 1969.

In the course of my trip it was brought home to me that there is another aspect to the human problem in the north, an aspect other than that relating to economics and development. It is the problem of isolation, the product of enormous distances and sparse population. There are many problems of life in the north that we cannot overcome but this is one we can overcome, not just in the far north but in the remoter portions of the provinces. The sense of isolation can be reduced and the possibility of participation in Canadian life enormously increased by better communications. That is why the government is going ahead actively with the development of satellite communications for this country.

Some hon. Members: Hear, hear.

Mr. Trudeau: If Canada were to limit itself to microwave networks and other means of surface communications it would be almost impossible to cover our remote areas. By use of satellites distance can be obliterated. We can bring television to all parts of the country not simply for recreation and entertainment, although these are important in remote areas, but to inform all our people on everything of concern to them in the world and the nation. Since the publication of the white paper on "A Domestic Satellite Communication System for Canada," a publication which came out last April, the government has had a special task force at work on planning a corporation to operate such a system. Study is well advanced on the problems of design and launching the necessary satellites, and legislation to provide the legal basis for action will be ready for introduction in this session of parliament.

Just as the establishment of effective transportation helped to build Canada in the 19th and 20 centuries, the establishment of rapid and effective communications in the future will help to keep it together. The new department of communications will, I hope, help to speed up the growth of effective and up to date communication links everywhere and at the same time provide a measure of regulation and vigilance over developments which can drastically affect the life of every Canadian.

Development in a particular region promotes the general well-being of Canada. For example, in British Columbia we see a continuation of activity which, though regional, has a profound impact on the totality of our country. The expansion of our trade with Japan, which has doubled in five years to approximately $600 million in exports and $300 million in imports, makes Japan our third largest trading partner and emphasizes

the importance to Canada of our Pacific trade. The growth in this trade and in particular the large new coal contracts with Japan require the development of such enterprises as the Roberts Bank ocean shipping terminal on which the federal government will spend $6 million to develop the waterfront installation while the provincial government will develop supporting facilities. Also associated with this development of Vancouver as the Pacific metropolis of our country is the intensive renovation by the federal government at a cost of $32 million of the Vancouver international airport which will improve our access to the Far East and also enhance our national air transportation networks.

• (5:20 p.m.)

The federal government has also recognized the national importance of the Fraser river and the national consequences of the severe floods which have taken place and could occur on that river. Through a joint program of $40 million, the federal government will provide $18 million with the remainder being provided in British Columbia to carry out a major diking and flood control program on the Fraser.

The long strike of the grain handlers at the lakehead has now been settled, thanks in large part to the efforts of the Minister of Labour (Mr. Mackasey), and western grain will again be moving in substantial volume through the lakehead to the millers and consumers in Canada and abroad.

However, the western wheat economy still has its problems with which we are very much concerned. The world wheat market is currently characterized by an excess of supplies over effective demand. Canadian wheat production from the current crop cannot be accurately estimated. Weather conditions have recently shown a marked improvement and the crop will probably be in the range of 550 million to 600 million bushels. Both the government and the wheat board are determined to maintain Canada's share of the world wheat market. The objective is to secure 25 per cent or better of the world wheat trade, or 1.3 billion bushels of wheat exports, in the next three years. The government will give the necessary support to the board's selling operations. This will include extension of credit arrangements and continuation of a high level of wheat and flour content in Canada's food aid program.

[Mr. Trudeau.]

The Economic Council of Canada has dealt in its last review with the question of productivity in agriculture, including particularly the yield per acre achieved by Canadian wheat growers. We have just announced that preparations are under way for setting up a national grains council in order to mobilize more effectively the energies, knowledge and efforts of all segments of the grain industry to assist in every way in achieving our objectives with respect to the grain trade.

As hon. members are aware, the international grains arrangement entered into force on July 1. The first months of its operation have revealed certain problems in the pricing area. A meeting of major wheat exporters opens tomorrow in Canberra where governments particularly involved will have an opportunity to consider the whole question of wheat pricing. The Canadian delegation is headed by the deputy minister of trade and commerce and includes the chief commissioner of the Canadian Wheat Board. In early October there will be a meeting of the prices review committee of the International Wheat Council.

The Canadian government will be making every effort to see that these international arrangements work successfully and that we attain our over-all export targets while being prepared, at the same time, for more fundamental re-examination of the wheat economy. One specific step which the government is taking is to introduce legislation to amend the Prairie Grain Advance Payments Act. This will make it possible to double the advance payment on farm stored grains.

[*Translation*]

There is another even more important priority with which the government and parliament will have to deal during the next few years, Mr. Speaker: the extension and the protection of the linguistic rights of all Canadians. Noticeable progress has been made these past months in the extension of linguistic rights in most parts of the country. One of the successes of the constitutional conference last February was the agreement reached by all participants to declare that the rights of French-speaking Canadians in the other provinces should, in all justice, be the same as those of English-speaking Canadians in the province of Quebec. The same federal-provincial conference also approved the appointment of a special committee of representatives of the federal and provincial governments to study the report of the royal commission on bilingualism and biculturalism

and to seek together ways of implementing its recommendations.

These decisions are important, Mr. Speaker, but constitutional protection is even more important. Canadians are not only entitled to a just and fair administrative and governmental policy in all parts of the country, but the basic law of the land, the constitution of the country, must guarantee that they and their children will, in this respect, receive a fair and just treatment.

We expressed our disappointment, last February, concerning the attitude of some of the provinces which refused to come to an agreement with regard to a constitutional guarantee of linguistic rights. The federal government, for its part, decided that French and English must have absolute equality in all parliamentary and federal institutions.

For several years, the government has administered an extensive program for the development of bilinguism in the civil service and some 7,000 public servants have attended various language courses which we have made available at public expense.

In addition, as we indicated in the Speech from the Throne, the government has prepared a bill on the official languages based on the recommendations of the royal commission on bilingualism and biculturalism. The bill will be introduced at an early date during this session and will put forward the principles governing the use of the official languages as far as the federal government is concerned.

For example, the plan will guarantee that in the different parts of Canada where the minorities using one of the official languages are large enough, the public may obtain in the official language of their choice, some services from all departments, agencies and other federal institutions.

There has also been some progress from the linguistic point of view in several provinces. A year ago, Quebec was the only province where the right to speak in either French or English in the legislature was formally recognized. From now on, the same will apply in the four Atlantic provinces and the two central provinces.

Some substantial progress has also been realized in the field of education. Now, for the first time, in the ten provinces, the use of the official language of the minority as language of instruction in schools is recognized in various degrees. This is important progress towards linguistic equality, Mr. Speaker. But it would be tragic if, at the present time, disputes concerning the use of an official language in a province would mean the end of linguistic rights extended to people in other provinces.

The province of Quebec has, for generations, and more than any other province, assured linguistic equality to its English-speaking minority. I am sure that the great majority of French-speaking Canadians wish this equal treatment to continue.

• (5:30 p.m.)

[*English*]

English speaking Canadians must not allow a single incident to cause them to forget the basic principle that linguistic equality requires all provinces to recognize the right of parents to have their children educated in the official language of their choice. Despite recent developments we are far short of that goal. It will not be sufficient for government leaders or public bodies to declare themselves in favour of bilingualism or even to pass legislation on the subject. Facilities for education and public administration in both languages must be made available in practice. Governments must be prepared to spend the necessary funds and to insist on co-operation at all levels of the civil service. Until there are schools teaching in each language and government services operating in each language in every region where the composition of the population justifies it, our work will not be complete.

I spoke about this requirement for a strong and united Canada before I was chosen leader of my party, and our party continued to speak of it in all parts of the country during the election campaign. The evident enthusiasm of Canadians shows their agreement that a properly functioning bilingual state ranks high among our national objectives. As a government and as Canadians, we must accept nothing less.

[*Translation*]

I might add, Mr. Speaker, that until such practical things are done, we ought not to be surprised that linguistic minorities in Quebec or in other provinces look for support outside of their provincial governments or even the federal government, so that such pious intentions, even the legislation, may be put into practice.

I would be the last one to blame those minorities, especially French-speaking minorities which, for many decades, have had

to face declarations of intent and quite often could not count on any agency to which they could appeal effectively. However, at the time when the whole of Canada gives serious, genuine and substantial indications that the country is ready to recognize a bilingual Canada, I urge them once more to keep on developing and making their needs known, and not to retreat, not to get discouraged.

[*English*]

As I stand in my place, Mr. Speaker, I occupy two roles: the one as a member of the present government, the other as a member of parliament. The first of these roles is dependent upon the second. The greater honour, the greater responsibility flows from my membership in this house. It is an honour and a responsibility that we all share. We sit here as representatives of the people of Canada. We do so with pride, pride in this historic institution of parliament, pride in the democratic process which brought us here, and pride in the techniques which have evolved to convert the needs and wishes of society into legislative practice.

But our pride must not blind us to the fact that at this very moment thoughtful questions are being posed in this and many other western countries as to whether our systems of government have outlived their effectiveness, whether new approaches and new institutions are necessary in order to preserve and enhance the human values which our society prizes. We dare not remain immune from these questions or these criticisms.

It would be easy indeed for us in this house to ignore the discontent expressed in some quarters of Canada, particularly from the young, that the institutions of government are not reflective of the demands of 1968. It would be easy to do so, but it would be wrong. There is abroad in Canada and elsewhere a spreading concern that the traditional techniques of governments are incapable of responding adequately and in time to the changing needs of society. This concern we ignore at our peril. We ignore at our peril as well the accumulating evidence that governments in the past have all too often responded to the symptoms of social unrest rather than to the root causes, that they have done so because their distance from the people has filtered out any direct involvement with the daily problems of the individual. We know from our own experience as parliamentarians that from time to time we sense frustration in our seeming inability to contribute to this house fully of the energies and talents which we have brought here with us.

This criticism, this evidence, provides a challenge not just to the government but to parliament. We are given an opportunity in this place, in this session, which may not again present itself. It is the opportunity to prove to Canadians, ourselves included, that a parliamentary form of government is not only capable of meeting the demands of this complex age, but that it is more capable of doing so than is any other form. It is the opportunity to prove to the world that a democratic system is not only representative of the wishes of the majority but that it does in fact protect the minority. It is the opportunity, in short, to illustrate that parliament is both protective and effective, protective of those traditional values which we all cherish and effective in recognizing and dealing with the present needs of our contemporary society.

I firmly believe that this institution of parliament has for centuries proven its superiority over other forms of legislative bodies because it has demonstrated its ability to meet adequately the changing demands made upon it. Neither the parliament of Canada nor the parliament of any other country has every added to its stature by clinging to its past at the expense of its future. When hon. members discuss the need for procedural reform, they do so mindful of the strength which parliament has attained from the wise evolution of its procedures over the years. The problems which now face Canada, and which her elected representatives are dedicated to solve, are not the problems of a Walpole or a Pitt or a Gladstone or a Churchill, nor are they the problems of a Macdonald or a Laurier. Within the areas of responsibility of this twenty eighth parliament of Canada are matters of economic and social consequence of such depth and breadth, and of such complexity and number, as would have staggered the imagination of many of our predecessors.

By common consent the role of government has spread into areas where it had never previously extended. By obvious need, the entire panoply of scientific achievement is now mustered in aid of any legislative solutions. Notwithstanding these increasing demands, the time available to this house each week for the conduct of its business is not significantly greater than it was a century ago, nor have the traditional and proper roles of government and opposition changed. It is the government's function to propose legislative solutions. It is the opposition's task to

question these solutions and attempt to improve them or propose alternatives. Neither role can be subordinate to the other.

It goes without saying that any proposal for procedural reform must assist both sides of this house to function more efficiently. Anything less would be self-defeating. Anything less would diminish the very institution which we seek to assist. The discussions which have been proceeding on and off for the past fortnight, or even longer, among the representatives of the several parties in the house must not be permitted to continue indefinitely.

• (5:40 p.m.)

Some hon. Members: Hear, hear.

Mr. Trudeau: Nor should they be permitted to lead, either by agreement or in the absence of it, to procedural changes which will upset the delicate and essential balance between government and opposition so necessary to the proper functioning of parliament. Members on this side of the house should not forget the investment of time and energy—the opposition may even think, perhaps too much time and energy—which has been necessarily devoted to the preparation and presentation of legislative proposals. They should not forget this lest they assume that hon. members opposite are somehow able to study and consider those same proposals in a fraction of that time. Good legislation, effective legislation, requires the expenditure of extensive effort on both sides of this house.

It is our responsibility as members to engage here in discussions which are as knowledgeable as possible. Every opportunity to learn more about proposed legislation, and more about the social or economic or other situations which have given rise to that proposed legislation, must be followed by all of us. It is my feeling that the advantage in this respect has too long rested with the government. For that reason a most important concept which has been proposed to members, along with other procedural reforms, is the provision of public funds to permit opposition parties to obtain the services of researchers, advisers and experts to assist them. The government cannot function without expert assistance. For the same reason, neither should the opposition be expected to do so.

Withal, however, we must keep constantly in mind the temper of the people of this country. The public expects this house to be productive, to be efficient, to be wise in its deliberations. We must not contribute to any belief that we here are more involved with the sound of our voices than with the good of Canada. I am sure this sense of urgency is fully shared by members of this house.

This concern about the substance of our deliberations, however, may prove of little value should we be unable to break out of the procedural strait-jacket which now embraces us. Conducting business on the basis of the old rules to which we have reverted is not entirely without a certain degree of charm, I must admit. There is, for example, a touch of history revealed in the names of the committees of the house. My favourite is unquestionably the agriculture and colonization committee. But all the colour of its title will not equip that committee to do the work required of it. For one thing, it has 60 members, almost one quarter of the total membership of this house.

Under this system we cannot accomplish a fraction of what this house agrees must be done. The whole structure of committees simply must be reviewed and overhauled as the first step in the process of procedural reform.

Some hon. Members: Hear, hear.

Mr. Trudeau: There are other contemplated changes that may require intensive study. A possible change, for example, but one which must be examined carefully, is the practice of delegating legislative authority, in terms of ministerial orders and orders made in council, and in the sense of decisions of quasi-judicial bodies. Whatever we decide, it should be based on a full knowledge of both the strengths and the weaknesses of our present practices. Accordingly, I have asked the President of the Privy Council (Mr. Macdonald) to give attention to these particular practices.

We have all had occasion to observe recently the heartening phenomenon in Canada of widespread involvement in political activities by many segments of the community which until now were detached. We have all had the opportunity to note the frightening consequences in other countries, and it is noted in some places of our own, of the alienation of large numbers of people from the mainstream of a country's political life. Like it or not, we in this house bear a heavy responsibility for promoting healthy involvement and for discouraging unhealthy alienation. We discharge that responsibility through our activities here, by projecting throughout this land an image of a parliament aware of its responsibilities,

alert to its opportunities, cognizant of its traditions, and determined in its role.

These are not easy tasks to perform. Worth-while tasks never are. But should we not reform our procedures, these tasks may prove impossible. In that event, the involvement of Canadians in the political life of this country, through participation in political parties, may decrease, and we the elected politicians will have only ourselves to blame. The benefits of a better functioning parliament will not be enjoyed only by the members of this house; they will extend to all the people of Canada now and in the future.

Some hon. Members: Hear, hear.

Mr. Trudeau: Mr. Speaker, during most of this speech I have been talking about problems and solutions, but I would not wish to sit down without referring, however briefly, to the unlimited potential of this country and its people. Whenever our problems begin to look overwhelming or insoluble, we should try to see them in a wider perspective. Compared to most of the other nations of the world, we are fortunate indeed.

Some hon. Members: Hear, hear.

Mr. Trudeau: Our internal divisions, damaging though they are, must appear minor to the inhabitants of many other regions of the globe. Our treasury of resources, both human and natural, is probably unmatched. We must renew our resolve to prove ourselves worthy of the great bounty which nature and our ancestors have bestowed upon us.

Since this house last sat I have enjoyed the opportunity of travelling in all parts of this country and of meeting great numbers of Canadians of every origin and occupation. I return with increased confidence in the ability of the Canadian people to meet the challenges which lie ahead. As their elected representatives we must demonstrate that we are capable of handling the nation's business in the decisive and orderly manner which is expected of us. We must make this first parliament of our second century the best in Canadian history.

Some hon. Members: Hear, hear.

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF MEMBERS OF CARIBBEAN LEGISLATURES

Mr. Speaker: Order, please. Before calling on the hon. member for York South may I be permitted to bring to the attention of hon. members the presence in the Speaker's gallery of a very special delegation from sister commonwealth countries in the Caribbean.

Some hon. Members: Hear, hear.

Mr. Speaker: These special guests include three premiers and one Speaker, or perhaps I should say one Speaker and three premiers.

Some hon. Members: Oh, oh.

• (5:50 p.m.)

Mr. Speaker: They are in Canada under the auspices of the Canadian branch of the Commonwealth Parliamentary Association. On behalf of all hon. members I extend the warmest greetings to you, gentlemen, and express the wish that your visit to Canada will be pleasant, interesting and fruitful.

Some hon. Members: Hear, hear.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed consideration of the motion of Mr. Eymard Corbin for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Stanfield.

Mr. Lewis: Mr. Speaker, of course I am prepared to continue at this time but I wonder whether the other members of the house would prefer, as I myself would, to call it six o'clock.

Some hon. Members: Agreed.

Mr. Speaker: Pursuant to standing order 6 (1) this sitting is suspended until eight o'clock this evening.

At six o'clock the house took recess.

• (8:00 p.m.)

AFTER RECESS

The house resumed at 8 p.m.

Mr. David Lewis (York South): Mr. Speaker, because my time is limited—and I do not say that by way of complaint—I do not intend to attempt to range widely over the many subjects which were treated by my predecessors.

It is with very real pleasure that I join the Leader of the Opposition (Mr. Stanfield) and

the Prime Minister (Mr. Trudeau) in congratulating the mover and seconder of the address. The elegance of their expression and the depth and sincerity of their thought give us assurance that they will make important contributions to the deliberations of this house.

[*Translation*]

It seemed to me, Mr. Speaker, that in their person as well as in their remarks, they showed the diversity of Canada and drew attention to some of the problems that must be solved to create true unity and a deep sense of justice in our society.

Both are happy about the opportunities offered by our country but each of them was forced to remind us of the great wrongs which make our society much less than just. The Canadian of French origin said that he was worried about the lack of facilities which would enable his compatriots in New Brunswick to learn about their country in their own language. The Canadian of Indian origin, a member of the community which was the first to people Canada, is deeply affected by the degrading conditions in which his own people still live. In short, Mr. Speaker, the two speeches pointed out the problems of bilingualism and social injustice which threaten unity throughout our nation. It seems to me that those questions and many other aspects of our national activity should have been strongly pointed out in the Speech from the Throne, but this was not done. I know that the Speech from the Throne is a traditional formality and it would be useless to try to find therein some grounds for inspiration or even some enlightenment, but during the election campaign, millions of Canadians, young people mostly, had set their hopes in the new Prime Minister. They expected from him a new political style and a new, deeper commitment for the attainment of a richer, more exciting life not only in Canada but throughout the world.

[*English*]

It is therefore, Mr. Speaker, a very great pity that these expectations have not been even partially met. Exactly the opposite is true. Since this government took office we have read of the appointment of numerous defeated and disappointed Liberals to positions in the other place and on boards and commissions, as detailed earlier by the Leader of the Opposition. If I may, I want to remind the Prime Minister, who is just entering the chamber—

Some hon. Members: Hear, hear.

Mr. Lewis: Apparently, Mr. Speaker, the members of this house still have the expectations for which the people of Canada fell. I want to remind the Prime Minister that for decades this kind of appointment has been the cynical mark of the old politics, riddled with favouritism, nepotism and patronage. That the Prime Minister is following the same line makes a mockery of the alleged "new politics" about which he has boasted.

In the field of economic policy all we have had so far is retrenchment, and emphasis on the irrelevant concept of the balanced budget. This is not merely outdated, especially at a time of sizeable unemployment, but it creates a financial strait-jacket which makes it impossible to deal imaginatively with the problems crushing many sectors of Canadian life.

No one is so naïve as not to realize that long term programs require time to develop and to implement. I am therefore prepared to hope that such programs are in contemplation and under study. But if so, I simply cannot understand why the speech from the throne was so silent or so vague about them. During the election campaign, and in one or two places in the speech from the throne, and in the Prime Minister's speech this afternoon, there were and are references to the need for involving the people of Canada in the democratic process, as reflected in parliament and in government. The throne speech gave the Prime Minister and the government the opportunity of speaking to the people of Canada in a way which might fire their imagination and evoke their interest. How else is it possible to involve people in the democratic process, except through full and frank information and the articulation of inspiring national goals and programs pointing toward those goals? But the speech from the throne has nothing of this. It consists of the customary and tired emphasis of the obvious; it is a sonorous collection of little homilies which make Shakespeare's Polonius a model of originality. It lacks intellectual depth and moral concern.

• (8:10 p.m.)

Somewhere, something happened to stop the swinger in his tracks, and to transform the promising modern into the dull traditional. How did this happen? I suggest that it derives directly from an economic and social philosophy which makes it extremely difficult to meet the challenge of the modern age. The intention is no doubt good but it is frustrated by an out-of-date approach.

Somewhere near the beginning of the speech from the throne there is a statement—and it is put in a tired way, if I may say so respectfully to the right hon. gentleman —that financial and intellectual resources are not unlimited. This is the kind of fatherly admonition which is as obvious as it is misleading. Enunciated in 1968, it shows a failure to appreciate the significance of the modern scientific revolution and the potentialities of the age of automation and cybernation. I agree, of course that at every stage of development priorities must govern policy.

But history has rejected the timid, fearful caution that confines policy within the limits of human knowledge available at a particular point of time. The fact is that the limits have been constantly extended by scientific development and by human ingenuity. The capacities to produce goods and services, to develop a rich environment in which the physical, moral, and spiritual joys of life may be available to all, are almost beyond exaggeration in this age of cybernation. The problem before us is not the limit to our capacities and resources, but their efficient use and the just distribution of the fruits of that use.

Our problem also stems from an important difference of opinion as to what constitutes efficient use of our resources. I am not concerned merely with higher productivity and more production, regardless of the kind of product or service that is the result. This kind of efficiency we have known for a long time. It has too often resulted in the production of luxury amenities for a relatively small group, while the large group at the bottom of the income ladder was almost ignored. What is perhaps worse, it has resulted in wasteful expenditures on products and services which are socially unnecessary as compared with the urgent need for houses, schools, hospital beds, parks, universities and recreation centres. We reject this kind of use.

By efficient use of our resources and capacities my colleagues and I mean higher productivity and more production of goods and services which are socially necessary, and which are essential to the building of the just society. This involves careful allocation of resources according to social need. It involves government control of investment, government standards and a degree of government intervention in the economy from which conventional wisdom still recoils. In many instances it will involve public investment on a considerable scale, because private investors will lack the courage or imagination or because they will think they can make a faster buck elsewhere.

These thoughts seem to me self-evident. Yet the throne speech shows no inkling of relevant, modern social analysis. Because the government leans toward the old, traditional economic and social ideas, because it does not seem to be able to adopt policies which can take full advantage of the immense potentialities of the age of nuclear power, automation and the computer, the people of Canada may well be in for another great disappointment.

The likelihood is, and I hope I shall be proven wrong—and I will apologize to the Prime Minister if I am wrong—that we shall wake up four years from now and find the same 20 per cent poor, almost the same regional disparities, a similar crisis in education, in housing and in urban life generally. No doubt there will be a patch here, a repair there, and an improvement elsewhere, because whatever the stripe of the government we always manage to make a little progress. But the major inequalities and most oppressive social neglect will still be largely with us. The just society will still be a political slogan and a seemingly unreachable dream. More, Mr. Speaker, is the pity, because it is so unnecessary.

Somewhere else in the speech from the throne there is another statement of economic philosophy which is equally disturbing. This is the notion that all incomes should be tied to productivity and even that government spending must be so tied. A very little thought shows how false and dangerous this attitude is and how it builds another straitjacket, hampering the development of useful and imaginative programs.

This typically bureaucratic notion assumes, first, that there is an acceptable measurement of productivity, which is itself very questionable. It assumes also that productivity can be measured in all cases, which is patently absurd. How do you measure the productivity of a teacher, or a nurse, or a researcher, or even a postman?

Second, the throne speech theory assumes that the inequalities in income in our present society must remain, and that the low wage and salary earners must be satisfied to make no more relative progress than the high wage and salary earners. I suggest that anyone who articulates this crass philosophy, and at the same time talks about the just society, suffers either from self-delusion or from heartless cynicism.

To tie government spending to productivity—whatever that means—is equally fallacious. It suggests, whether intentionally or not, that in time of low production resulting from a recession or from other causes, government spending should be low, and that at a time of high production government spending should be high. This certainly stands John Maynard Keynes on his head.

• (8:20 p.m.)

Surely it is now accepted conventional wisdom that precisely when the economy is slowing down government expenditures must rise to fill the gap. To speak of balancing the budget when the seasonally adjusted rate of unemployment is 50 or 60 per cent, higher than the highest rate of 3 per cent urged by the Economic Council of Canada, presages a policy which will certainly make our society more rather than less unjust as far as the unemployed, the poor, the young and the old are concerned.

Furthermore, and just as important, it means the government accepts the notion that the size of the public sector must remain relatively the same. It must not increase. Yet it is surely clear that increased public spending is essential if manpower training is to be effective, if urban problems are to be solved, if Indians, Eskimos and Metis are to be rehabilitated, if regional disparities are to be eliminated, and if the problem of poverty is to be tackled meaningfully. Indeed, it is surely also clear that public spending on education, on manpower training and on research is the major means for increasing productivity itself.

[*Translation*]

Mr. Speaker, the fifth report of the Economic Council stresses the necessity of increasing technological research in Canada. It analyses our industrial structure and deplores its lack of rationalization and efficiency. In so doing, the report only dwells on what experts have been saying for years. Since its second report, the council has been urging the necessity to multiply our efforts in the field of education.

There was a time not so long ago when education was sought for itself, when a thirst for knowledge and the study of the universe were very exciting objectives. For many, that still obtains, but the automation age has given to education what might be called a practical dimension. Jobs are increasingly scarce for those who have little education. And the time is gone when one could keep his job for a lifetime. Most people will now have to learn two or three trades, go through retraining almost every decade. Therefore social investment in education has become an economic requirement.

[*English*]

The industrial society is producing or aggravating other acute problems. Air and water pollution poison the atmosphere in our cities, and not only offend our senses but threaten our health. The pressures of living in the jet age are producing a shocking rate of mental illness, and hundreds of thousands of disturbed children for whom there are no treatment centres and no hope. Crime is on the increase and juvenile delinquency haunts homes in every economic class. As we develop new and more abundant means to meet our material needs, we endanger the quality of our lives. A people that awakens to these dangers must be ready to deal with them collectively. No one can do so on his own.

As Professor Galbraith expressed it, "Nearly all of the investment in individuals is in the public domain. And virtually all of it is outside the market system." Yet our traditions cause us to question public investment in people, whether through cash payments or through the provision of health services, educational opportunities, safe roads, clean waters, fresh air, decent homes, green belts, planned cities, slum clearance, recreational facilities or artistic and cultural activities. All these are essential to a decent, human, civilized quality of life and all of them require public spending on an ever increasing scale. Yet when governments spend money their action becomes immediately suspect, even though without it life would be almost as dismal for the well-to-do as for the poor.

Thus I reject the philosophy which seems to animate this government. The public sector is not expendable; it is essential for growth and justice. It must not stand still; it must and will grow in response to collective needs and goals. In my view, it is irresponsible private power which must be curtailed and controlled to serve the public good.

I do not mean that every public expenditure is right because it is public; not at all. It is necessary to review public expenditures periodically, to change their direction and emphasis. Indeed, we believe there should be a permanent government agency to review expenditures on a continuing basis so that they may be put to the best and most productive use. But in our view it is impossible to think realistically and honestly of building

the just society without an ever-increasing role for public participation, public planning and public control. Because the speech from the throne seems to be timid about this, the pretensions about a just society may turn out to be a mockery.

[*Translation*]

Mr. Speaker, I am perfectly aware of the fact that it is possible to suppress a good many social injustices which have not been brought about, in part or in whole, by economic factors. We are in favour, as we were during the previous parliament, of the various proposals to amend the Criminal Code, of the introduction of legislation to implement, within the federal jurisdiction, the recommendations of the Laurendeau-Dunton commission, and other important legislation of the kind we will wish to support.

We agree in principle with the fact that our parliamentary procedure must be brought up to date. In fact, it is something which we have been advocating for some years now. During the last session, on April 20, 1967, the leader of our party, Mr. Douglas, recorded on page 15141 of *Hansard*, eight proposals providing for a reorganization of the business of the house. They dealt with most of the main questions under study. Therefore, our party is prepared to support any reasonable proposal which would result in an improvement and modernization of the business of our house.

[*English*]

But I should like to emphasize that in our view changes in the procedures of parliament must not be such as merely to assist the government to increase its power and control over parliament. They must also respect the rights of members of parliament, particularly those in the opposition. A parliament which is completely under the control of a majority governement cannot represent the views of the people as a whole and would be an unfortunate step in the direction of a one-party state. From the words of the Prime Minister this afternoon and from other statements I can recollect, I have reason to hope that the government agrees with this approach. I merely emphasize that while we intend to give active support to changes in the rules which will render parliament more efficient and more up-to-date, we do not intend to support proposals which may reduce to impotence the role of parliament, a role which can only be fulfilled if the opposition has the fullest freedom and opportunity to scrutinize, criticize, propose alternatives and investigate thoroughly the manner in which the government is carrying out its trust. We feel, Mr. Speaker, that it is important to do so, not only to make parliament work more efficiently, but also to allow us to study estimates and legislation more rapidly and more conscientiously, and above all to make Canadians have greater confidence in parliament and in the democratic process.

I fully agree with what the Right Hon. Prime Minister said this afternoon in this connection.

In this connection, we welcome also the promise contained in the speech from the throne that additional assistance will be made available to the official opposition and to other opposition parties in order that they may carry out their work with more information, more understanding of issues and more appreciation of the programs with which this parliament will deal. It is unnecessary to emphasize that it is the presence of an opposition in our legislatures which distinguishes the democratic from other societies. And the more opportunity the opposition has to be relevant, alert and effective, the better our democratic system. It is true that the social reforms and the reorganization of government and parliament are important, but they do not impinge on the major areas of economic and social ills in our society.

• (8:30 p.m.)

Mr. Speaker, I could hardly believe my ears when I listened to the speech from the throne and found that there was not a word about housing, or urban development, or the problem of galloping rents,—not a word; and not a suggestion about the mounting difficulties assailing our people in the growing urban centres of our society. Yet urbanization in Canada is proceeding at a rapid rate. Some 70 per cent or more of our people live in urban centres now, and in a few years the percentage will be 80, but the speech from the throne contains not the slightest awareness of this fact or of the crushing problems it has produced.

Inside and outside parliament we have had endless discussions about the housing crisis, the growing problems of large urban centres, the traffic congestion, the lack of amenities for decent living, and the growing pollution of our air and water. We looked in vain for effective action from past Liberal governments, and as far as the speech from the throne is concerned—and the speech of the Prime Minister this afternoon did not

help—we are still at a loss. Instead of action we have yet another task force.

[*Translation*]

The relative poverty affecting millions of Canadians to-day has existed in our country for many years; in fact, it has existed since the very beginning of our society. It is obvious that western societies, and Canada is one of them, have done much to somewhat improve the condition of the poor and underprivileged. Certainly it is true that we have made great strides during the past three decades from the time when we had virtually no social security and a small number of laws on social welfare. But those humanitarian measures always were, in my opinion, reluctantly adopted, incomplete and even miserable. They were rather aimed at insuring men's survival and neglected to study the causes of poverty and the factors which made poverty hereditary from generation to generation in a family, community or region.

Some years ago, Mr. Pearson and his government which counted amongst its members several of the present ministers, declared war on poverty. It was a war which was waged on paper and, in the end, the paper itself was discarded for reasons of economy. Today, the Economic Council of Canada has revived the subject and the present government still acknowledges its existence. But the Speech from the Throne and the speech that the Right Honourable Prime Minister delivered this afternoon both emphasize more particularly the long period of time necessary to eradicate poverty, forgetting completely to point out the means to reach this objective. Boldness and determination which we have a right to expect have given way to prudence and timidity.

[*English*]

I am sure that the Prime Minister will be the first to admit that talk about the just society is not new or original. I have been reminded in the last few months of a cry of the Chartists in Britain a century and a half ago, in the following words, "The just society is the only worth while object of political warfare." Apparently the Prime Minister agrees. So do we. So does everyone. Indeed this has been the declared objective of all democratic governments, but progress toward the just society has been painfully and unnecessarily slow.

We have had variations on the theme. In the country to the south of us we had talk of the "great society." Mr. Pearson talked about the "good society," and the present Prime Minister talks about the "just society." They all mean the same things, and until now they have on the whole been mere political catchwords. I hope that the impression given by the speech from the throne is wrong, that this Prime Minister and this government really means to do something in the next four years, but it is my duty to point out and to underline that so far there is no evidence of this, that the tone and the words are but echoes of the past giving little more hope than in earlier years.

Not only on the domestic front but also in the international sphere the speech from the throne is flat, stale and unfeeling. Imagine, sir, the proponents of what they are pleased to call the just society asking flippantly, "Where is Biafra?" in relation to a conflict which has seen tens of thousands of innocent people mutilated and starved to death. Imagine a speech from the throne which in these circumstances does not even mention the word Biafra.

On Friday the Secretary of State for External Affairs (Mr. Sharp) uttered, and today the Prime Minister repeated what I can only describe as a shameful half truth. It is true, according to my information, that the first airstrip which was offered by Biafra and agreed to by the federal government of Nigeria was subsequently refused by Biafra because the federal government insisted that nothing else but outside relief supplies land on it. At that time Biafra was using it for landing weapons, which it was buying mainly on the black market simply because the big powers were selling to the federal government.

But surely the Secretary of State for External Affairs, if not the Prime Minister, ought to know—and if they do not know, then we ought to know why—that Biafra has built a second airstrip and offered it for delivery of supplies to the starving people. But the federal government of Nigeria has refused to agree to this second airstrip. Surely the Secretary of State for External Affairs and the Prime Minister ought to know that Sweden has agreed to lend a plane to the International Red Cross. If it did, why can't Canada? I suggest that when one is dealing with so painful a situation as the mutilation and starvation of tens of thousands of people, half truths in this parliament are particularly reprehensible.

Imagine also, Mr. Speaker, a statement about Viet Nam in the speech from the throne which sonorously reminds us that there are

unsuccessful negotiations going on in Paris —no condemnation of a war which in my view is legally unjustifiable and morally indefensible, not even a repetition of the government's appeal to our big neighbour to stop the bombing of North Viet Nam. And imagine, finally, a puny reference to foreign aid which merely promises the same inadequate program we have had until now, characteristically embellished by the establishment of a study centre.

In short, Mr. Speaker, there is no sense of urgency in the speech from the throne, neither about the evils at home nor about the threatening events and suffering abroad. There is primarily a technocratic preoccupation with organization and structures as if they alone can solve the social problems facing Canadians and the world.

Mr. Stanfield: And appointments.

Mr. Lewis: And appointments. There is no argument about the desirability of building a just, or compassionate, or good, or great society: This has been the goal of human organization for centuries. The argument centres on the elements of a just society and how to achieve it, and this is where we in this party differ from the approach laid out in the throne speech.

We do not believe a society can ever be just or good when it is characterized by glaring inequalities; when effective control of the use and allocation of resources is concentrated in a few centres of private economic power which have no legal obligation and little moral incentive to give priority to the public welfare.

• (8:40 p.m.)

We do not believe a society can ever be just or good when its system of values places material success, however attained, at the top of human achievement, regarded more highly and envied more frequently than the works of the artist, the writer, the athlete, the teacher or the spiritual leader. We do not believe a society can ever be just or good when fancy office buildings take priority over homes; when doubtful defence expenditures are considered indispensable while the Indian, the Eskimo, the Métis and the poor generally must wait long years before they are given the opportunity to join the mainstream of life; when the social system places competition and conflict ahead of human co-operation.

[Mr. Lewis.]

And we believe that to achieve the just or good society we must restructure our economic system and our social relationships. Admittedly this cannot be done overnight; but it cannot be done at all by those who do not question the basis and values of our present society, who are governed by conventional wisdom and by traditional attitudes. No doubt this government will accomplish some good things, as have all governments in the past. But there is no suggestion of a new approach, of a new life-style, as the modern phrase goes. In the result we will continue to have the basic inequalities, human degradation and injustice which mar the face of our society and haunt the social conscience.

I am of course aware that material well-being is merely the foundation of a good or just society, that there are other elements which are essential to an intelligent people eager to shape its own destiny, collectively and individually. There is today, particularly among the young, a feeling of alienation from the social order, of being overpowered by big business, big unions, big government, large schools, large universities, and by rules and disciplines imposed from above. I think that this lies behind the restlessness and revolt on our campuses and in our streets.

I appreciate that we must find new ways of using the modern media of communication and new relationships between the governors and the governed in every sector of our society and in society as a whole. This is why I welcome the reference in the speech from the throne to an inquiry into government information services. But, I must admit, that again I have some fears.

There are obviously two alternative purposes for government information services. One is to provide the people with objectively accurate information to guide their thinking and acts, and to evoke from them a desire to participate in social and political activity and to enrich the democratic process. But government information services can also be used as a political propaganda machine to serve the party in power and to befuddle instead of educating, to confuse rather than to clarify. We shall be on guard, as I suggest all members in all parts of this house should be, to ensure that the first and not the second purpose is served by the consolidation and improvement of information services which this government is planning.

In this general area we also have a duty to provide our people with means of defence against the alienation imposed by bigness. We should establish effective machinery by which

the citizen, without cost and without fear may challenge authority when he feels aggrieved.

Mr. Speaker, I am reaching the end of my remarks in which I shall be moving a subamendment to the amendment. I am sure the Prime Minister will be the first to agree that his election first by his party and then by the people shows that Canadians are willing to be challenged, to accept a new approach, to embark on new adventures. I have always believed this of our people. But I venture to suggest that to challenge them, particularly the young, and having reached the pinnacle of power to let them down with a dull thump is the cruellest act of all. This is a sure way of undermining democratic participation and eventually of undermining democracy itself.

This is the disappointment of the speech from the throne: The promise was great, the performance is dismal. Instead of going forward, we are back where we were. The style may be different, but the actions are the same.

I have always believed that the Canadian people can be mobilized for national goals in peace as they have been in war. Expo and the centennial underlined our collective pride and potentialities. We need only imaginative and meaningful leadership to fulfil the promise which is ours. But to reach that goal we must become much more independent and self-reliant. The throne speech ignores the problems of constructive Canadian nationalism, except in the reference to the language bill. The government is apparently satisfied with the foreign control of our economy and with our satellite role in international affairs. These basic problems affecting our future as a nation do not receive even a mention. Nor does the problem of our inequitable tax system, analysed and condemned in the Carter report, the reform of which is surely an essential first step toward the just society.

Perhaps the government will do better in the future. For the sake of our country, I devoutly and sincerely hope so. But on the basis of the throne speech and the Prime Minister's speech this afternoon, it is impossible to have confidence in the ability and intention of this government to deal with the new and old problems crushing so many of our people.

I therefore move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the amendment be amended by inserting therein, immediately after the words "social problems", the following words:

"including housing, urban development, unemployment and poverty;"

• (8:50 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, first of all, I wish to extend my warm congratulations to the mover and seconder of the Address in Reply to the Speech from the Throne (Messrs. Corbin and Marchand). They discharge their duty very easily and in a remarkable way.

I also wish to extend to you, on behalf of my colleagues, our most sincere congratulations upon your appointment, without opposition, to the office that you now hold. Indeed you know the satisfaction felt by all members of the House of Commons for the impartiality with which you always treated us in the house.

Mr. Speaker, we listened, last Thursday, to the reading of the Speech from the Throne. This afternoon, the Leader of the Opposition moved the following amendment:

But we respectfully regret that Your Excellency's advisers have refused to recognize or respond to Canada's current and urgent economic and social problems; and have failed to provide parliament with an agenda of priorities to define and implement the "Just Society".

The acting leader of the New Democratic Party (Mr. Lewis) moved an amendment to the amendment reading as follows:

That the amendment be amended by inserting therein, immediately after the words "social problems", the following words: "including housing, urban development, unemployment and poverty;"

Those are very worthy motives, very ordinary reasons expressed in the House of Commons for many years. And it is for that, Mr. Speaker, that at the dissolution of parliament on April 23 last, there were eight members of the Ralliement créditiste and there are now fourteen. You noticed it yourself, Mr. Speaker. I know that is a surprise for my good friend opposite, who interrupts me; it is a surprise not only for him, but for many others, because people were anticipating the disappearance of the Créditistes in the House of Commons.

You must admit that the Liberals did not get us elected. You must admit also that the journalists did not get us elected. Nor was it the C.B.C. with its free time broadcasts. An hon. member has just said: It was Johnson. It was not Mr. Johnson, from the province of Quebec, either, who got us elected, Mr. Speaker.

After the elections, a study of the free advertising given to the various political parties in the province of Quebec alone showed

that the Liberals had received 42 per cent of it, and the Conservatives 38 per cent. The latter did very well. They managed to get four members elected in the province of Quebec with 38 per cent of the free advertising. The New Democratic party got 19 per cent of the advertising in the newspapers of the province of Quebec, including the fat Montreal newspaper *La presse*, the *Montreal Journal* or the *Journal de Montréal*, the great patriotic newspaper *Le Devoir*, *Montréal Matin*, Daniel Johnson's newspaper, the *Journal de Québec*, as well as small weeklies all over the province.

The Ralliement Créditiste was treated generously. We were given 1 per cent of the free advertising granted to political parties. And thanks to all that advertising, Mr. Speaker, we came very close to unseating three ministers. I see one of them not far from me. He expected to be beaten by the big organization of the Union Nationale. While the Union Nationale was spending perhaps $100,000 or $200,000 to defeat the Minister of Forestry and Regional Development, the Créditistes came second, the Union Nationale behind them. I admired, that night, the courage of the minister who said on television: I am happy that the second place went to the créditistes. He was happy also to say—and I think he was the only minister who spoke with a little sense that night: The Créditiste vote is a warning to us to propose deep economic reforms in Canada. That is why people voted for the Ralliement Créditiste, and not for reasons alleged or put forward by newspapers such as *Le Devoir* or *Montréal-Matin* in their June 27 edition. Listen to this, Mr. Speaker, and tell me if it is not intelligent. "P.S.", which stands for Paul Sauriol of *Le Devoir*, another intellectual with his head lost in the clouds, wrote as follows:

> The Créditiste phenomenon:
>
> While the Liberals made considerable gains in Ontario and in the Western provinces, they have barely retained the number of seats they had in the previous Parliament. In spite of the popularity of Mr. Trudeau, the poor regions of Quebec cast a protest vote which did not go to the Conservative party, as in the Maritime provinces, but to the Créditiste party.
>
> The fifteen ridings won by the Créditistes—

They are now fourteen, because we lost one to the service vote.

> —in southern and northern Quebec correspond to the under-developed areas of the province.

That was written by Paul Sauriol. According to him, had there been no underdeveloped areas, we would have won no seats in Parliament. But look at each on the members of the Ralliement Créditiste in the house, study the economic situation in their respective ridings, and you will see that there is less poverty in the riding of Beauce, for example, in the riding of Bellechasse, where we defeated "Ti-Gus" Choquette, in the new riding of Villeneuve, in Roberval—in fact, there is less poverty in Abitibi, Mégantic, Lotbinière, Portneuf and Shefford than in the ridings of Saint-Denis and Lachine, in Montreal. The greatest number of people who are not only underprivileged economically but mentally backward is found in Montreal, in the province of Quebec. You meet them on the street and ask them: Who is your representative in Parliament? They do not even know.

According to a radio news bulletin this morning, 38 per cent of the poor live in the city of Montreal; there are 87,000 unemployed in that city, 26,000 families on welfare. And they vote red. These are underdeveloped people, Mr. Speaker. They do not fight for reform, but I shall come later to the reforms we advocate. I hope, at least, to hold the attention of the Prime Minister on that question, that he might study the possibility of making changes. It is all very well to travel across Canada distributing pecks to 14-year old girls, but that does not change the system.

Yesterday morning, I left Ottawa by plane for Prince Edward Island where I addressed the young students of 18 to 22 of Prince of Wales College. I met the lieutenant governor and other personalities. We talked of the causeway the government has been promising for the last seven or eight years. For perhaps 25 years now the people of Prince Edward Island have been promised a causeway; a carriage road from the mainland of New Brunswick to Prince Edward Island. Two years ago, I heard the former minister of Energy, Mines and Resources tell us that a complete survey had been made, and that the government of the day, the Pearson government, had decided that they would go through with it, that it was decided.

Mr. Pepin: We were talking about the Bay of Fundy at that time, and not about what you are discussing now.

Mr. Caouette: Mr. Speaker, I did not understand what the minister said.

• (9:00 p.m.)

Mr. Pepin: Mr. Speaker, I said that a decision was reached on a survey of the Bay of

Fundy and not on the problem the member is now discussing.

Mr. Caouette: Mr. Speaker, have no surveys been made on the feasibility of that causeway between the mainland of New Brunswick and Prince Edward Island? Ministers went to the site during the recent election campaign. The Prime Minister also went there, saying that the matter was settled, that it was decided. Time passes, then we are told: It is feasible. But what is lacking? I shall come back later to what is lacking for a just society.

Mr. Speaker, all honourable members will realize this tonight, or I am no longer true to myself, I can assure them. There is a limit to promises that are only followed by speeches. Every possible subject is being raised, but nothing concrete is being done. They mean well, but that is all. The speech from the throne reads, in part:

> In the complexities of modern society, effective programs take time to develop and more time to implement.

It takes years to develop them, then three times as much not to implement them. They forget to implement them. At every stage, governments in power require financial resources; on that point, this government is right. Intellectual resources which are not unlimited and must be used with careful planning and the hard judgment of priorities. It is a simple fact of life that everything cannot be done at once.

This morning, it was announced on radio, that 22 years today, I was elected for the first time to the house of commons.

Some hon. Members: Hear, hear.

Mr. Caouette: On September 16, 1946 I hardly managed to be elected and I was much more easily defeated three years and a half later in 1949. I came back, nevertheless, but at that time, the same comments could be heard. We have a new Prime Minister. The right hon. William Lyon Mackenzie King was prime minister; in 1948, he was replaced by the right hon. Louis St-Laurent. We kept on reading about the same thing: planning. Nothing can be done right away, everything cannot be done at once. That was 22 years ago and nothing has yet been done.

Some hon. Members: Hear, hear.

Mr. Caouette: We also had successive Leaders of the Opposition. While I was here, we have had the hon. Mr. Bracken as Leader of the Opposition, followed by Mr. Drew. Later on, that is in 1958, we had a Conservative government under the former prime minister, the right hon. member for Prince-Albert (Mr. Diefenbaker). The government then had 208 members out of 265, that is, the greatest majority ever granted a political party to administer the country. There was no lack of majority, but what matters were dealt with then in the speeches from the throne? The very same:

> —financial and intellectual resources which are not unlimited and must be used with careful planning and the hard judgement of priorities. It is a simple fact of life that everything cannot be done at once.

Mr. Speaker, throughout the country, we have had the opportunity to attend the meetings of the regional economic councils. We have now the report from the Canadian Economic Council, the cream of all the economic councils in Canada. Throughout all our regions, those people have the required intelligence to study the problems, and they do study them. They are part of our intellectual resources and they come out with a planning system. I went to Ville-Marie in my constituency not so long ago in order to find out about the studies being carried out in the fields of agriculture, road maintenance, development of natural resources and others, and the chairman of each committee gave us a report at the end of each day. Mr. Speaker, it was really something to listen to those reports. Therefore, it seemed that it was possible to make wonderful things in our country, according to the regional economic councils. Then, I asked them "When shall we start to implement these measures?"—"What!"—"Yes, when?"—"Well, as it is now, we have not got any money. We cannot do so. We must wait for some help from the governments. We are going to suggest it to the government and they will decide." When we make suggestions to the provincial government, they reply: "We have no money". We then turn to the federal government.

The Prime Minister spent a quarter of an hour this afternoon to tell us that the government has no money. However, during the electoral campaign—it was wonderful—the Prime Minister stated: "Governments have only the money the taxpayers are willing to give them." What we are willing to give them, that is what the government has.

"We are no magicians. We are not Father Christmas. We are just men eager to turn Canada, and the whole world as well, into truly liveable places."

Mr. Speaker, I agree about the fact that the Prime Minister is no magician, but if he really believes that the Canadian Parliament is indeed a sovereign Parliament, who then is the magician that provides subsidies to wage war while subsidies to enforce peace at home remain unavailable?

Some hon. Members: Hear, hear.

Mr. Caouette: I shall come back to that point in a moment, anyhow.

It is all very well to make us say: we are no magicians. But who are the magicians? After the recession, at the beginning of World War II, the national debt of Canada was around $3 billion. Five years later, after the fighting was over, it amounted to $17 billion. Who then was the magician that raised $14 billion, while the slaughter was going on? The prime minister is well aware that during the carnage, during the war, the government of Canada was never heard saying: "We lack money to dress the soldiers, we lack money to enlist 800,000 young Canadians and to send them to the battle-fields. We lack money to make guns and shells." The prime minister knows it, because we probably fought a bit together against the war expenses during that period. If money was not available during the economic crisis for fathers and mothers to bring up their families decently, how could it be allowed to send our young men to their death during the war? The prime minister knows how things were.

Mr. Speaker, during that war, every Canadian of my generation, those who were a little younger than I or a little older, fared better in Canada than during the economic crisis. Meanwhile, 800,000 of our young men were kept away from the production of commodities for Canada. We dressed them, housed them and fed them decently, and we had them looked after by doctors when they became sick. This cost nothing. Things went along fine. Meanwhile also, Mr. Speaker, we spent billions of dollars to make guns, shells and deadly weapons. Our people behaved bravely, gallantly, on the battle-fields. As for all the bombs that we dropped on Hitler's head in Germany, do you think that the Canadian government sent notes saying: "Do pay C.O.D. Otherwise, the bombs shall not be dropped"? We delivered all the bombs free for the duration. Dividends were paid to the Germans during the war, and today, in peace time, the prime minister tells us: "Well, there is such and such a priority. Besides, we cannot do everything at once."

• (9:10 p.m.)

Since June 25 last, we often hear about a just society. Canada has never experienced as many labour strikes. There is a strike going on at the door of an institution at Rouyn. Why? Because the young people are not satisfied, because people want greater buying power, a better standard of living in a country able to provide it. But the Prime Minister or the government, in the Speech from the Throne continue to say: "It is a simple fact of life that everything cannot be done at once." And that is not all.

Mr. Speaker, it is true that the Speech from the Throne mentions language, priority or respect for languages, politics, religion, and speaks of mutual respect. I shall come back to that later, if my time does not run out.

Here is another excerpt:

—Pensions for the aged, provision for the sick and for the needy have been made more effective by legislation passed in recent Parliaments and by action of the provinces. Notwithstanding such measures, proverty continues to exist in Canada. My Government recognizes that—

—but it also believes that it would be deluding and cruel to pretend that there is a simple, all-encompassing or instantaneously effective remedy.

Here is where we do not agree with the government. That is exactly where the problem lies, Mr. Speaker, if the government thinks that it would be deluding and cruel to pretend that there is a simple remedy. Let us see what the Economic Council of Canada has to say. At the bottom of page 134, an explanation reads as follows:

Various forms of guaranteed minimum income—

The Council suggests the provision of an annual guaranteed income. Here is what it has to say:

Various forms of guaranteed minimum income have been proposed by different writers.

The simplest form would be a minimum income grant paid by the government to all regardless of means.

This, Mr. Speaker, is the national dividend that the Social Credit party wants to distribute to one and all without exception, regardless of their means. And this brings me to set forth the four basic principles of the Social Credit party. It is all very well to listen to speeches, to hear people refer to the Speech from the Throne, but they do not suggest anything as an alternative. That will not bring about a constructive legislation. And what are the Créditistes saying? For once I shall resort to the English language.

[*English*]

The following are the four basic principles of the Social Credit party. First, Social Credit firmly believes that the individual is the most important factor in organized society. Because he is a divinely created being with spiritual, mental and physical needs and potentialities, he has inalienable rights which must be respected and preserved. Because of this belief Social Credit is unalterably opposed to communism, fascism and all forms of totalitarian government which make the individual citizen subservient to the state. It stands opposed to any political organization whose aims are the furtherance of the sectional interests of organized labour, business or finance.

Reverting to the first sentence which says that Social Credit firmly believes that the individual is the most important factor in organized society, let me say that no matter whether the individual is white, black or yellow, whether he speaks French, English, Ukrainian, Italian or any other language on earth, no matter what his beliefs are, he has the right to be respected anywhere in the world and especially in our country, Canada. These inalienable rights should be respected anywhere, as well as in the province of Quebec.

When people ask that their rights be preserved in the province of Quebec because some of them wish to learn English instead of French, it is their right to learn one language instead of the other. We would of course suggest that everyone should learn the two official languages of our country. When I went to Czechoslovakia a few years ago I found there people who spoke as many as six or seven languages. I thought it was wonderful of them to speak so many languages. Here in Canada there are some people who, because they are French and do not understand a word of English say, "to heck with English, I don't want to learn it". We also hear people who speak English only saying "I cannot understand French and I will never learn it in my whole life". Those two people are two kinds of separatists whom we should not have in our country.

[*Translation*]

Mr. Lewis: That is true.

Mr. Caouette: It is true, is it not? I have the support of the hon. member for York South, Mr. Speaker.

Mr. Lewis: A hearty one.

Mr. Caouette: Mr. Speaker, I say there are limits to narrow-mindedness. Canada was not built by people who spent their time devouring one another and it is a country that belongs to all Canadians; we maintain our positions. In the province of Quebec, we were not elected because we talked about of two nations or of a special status, and I am a French Canadian, everybody knows that. There are nevertheless 400,000 people who voted for us in the province of Quebec.

[*English*]

It is said there are two nations, but it is one nation which is Canada. We are Canadian. We have two official languages, French and English, and we have a multiplicity of cultures, such as English, French, Ukrainian, Italian and German. We have all kinds of cultures in our country, and the nation is the richer for them.

Some hon. Members: Hear, hear.

Mr. Caouette: We have the Chinese group, and we also have an Indian representative right here in the House of Commons. We are happy that an Indian should sit in this house.

Some hon. Members: Hear, hear.

Mr. Caouette: So this is our stand; and those people who called for a special status for the province of Quebec and for two nations nearly disappeared from that province. They were not accepted. This was so because we do not want to hear these things. During an election we want action—that is what we want. We do not ask for a special status for one province. I do not want a special status for Quebec, a special one for Ontario or one for Prince Edward Island, where I was yesterday. What I want is a Canadian constitution which will permit each province to maintain its identity in this country of ours, Canada.

We have one province in this country, namely Quebec, which is predominantly French. Let us have a constitution which will ensure the fullest respect for the rights of Quebeckers as it will for the rights of the other provinces. I do not think it would be wise for any province to interfere with the rights of the other provinces. However, it would be wise for the Canadian government to give us the assurance that each province will be treated with fairness, and that each province will have the maximum autonomy.

The second basic principle of Social Credit is that the government must serve the

individual. The major function of the democratic government in organized society is to secure for the people the results they want from the management of their public affairs, in so far as such results are physically possible and morally right.

The third basic principle is that the individual must be free and have economic security. The individual can only attain his full stature in a society where his ability to make moral choices is restricted as little as possible. Economic security is a necessary means for attaining this freedom, not as an end in itself to be attained by restrictions. This is the difference between those people who advocate economic security and those who advocate freedom in the hands of the government. We have seen that type of government, Mr. Speaker, in many countries. When we visited Czechoslovakia we found that though some people call them a communist country they do not call themselves communists, but socialists.

• (9:20 p.m.)

We have also been told that Sweden is an example to follow because in Sweden there is no such thing as unemployment. It is true, Mr. Speaker; there is no such thing as unemployment in Sweden. The men work, but in order to attain a decent standard of earnings the women have to work too. Sometimes a man is on one shift, his wife is on another shift and the children are looked after by the government. When in Sweden I remember boarding a bus. On the bus there was a bus driver, another man whose sole task was to sell tickets, another man to punch the tickets, and a fourth man in the corner watching the other three.

[*Translation*]

Mr. Speaker: Order. Does the house allow the hon. member to proceed with his remarks beyond the time allowed by standing orders? Agreed.

Mr. Caouette: Mr. Speaker, I very sincerely thank the honourable members for the fine courtesy they have shown me by letting me proceed with my remarks; I shall make no abuse of it. I will be brief. I was speaking about Sweden and since I was speaking in English, I will continue in English.

[*English*]

In Sweden, Mr. Speaker, monthly wages are in the order of $55 to $65 a month. Although they say that the cost of living is lower in Sweden, if you want to buy a car you will pay twice the price there that we pay in Canada, where wages are at least three times, maybe four times, the level in Sweden.

When I was in Czechoslovakia I visited the Skoda plant where 6,000 men were working at a wage of $45 to $55 a month. This little Skoda car sells in Montreal city for $1,775. In Czechoslovakia where the car is built it sells for the equivalent of $6,200. Therefore no one in Czechoslovakia can afford to buy a car; the people either walk or use a bicycle. I asked the vice president of the plant in Czechoslovakia the reason for the price being so high. He told me: "We have increased the tax portion of the price because we do not want our people to buy cars. If they buy cars we will then have to build some roads".

Mr. Lewis: That is not right.

Mr. Caouette: I hear my hon. friend from York South saying that I am wrong, but I know I am right in this instance because I spoke to the vice president of the plant in Czechoslovakia. I asked about salaries and the production of cars for export only, not for internal use. I also priced refrigerators and T.V. sets. Refrigerators sold in Czechoslovakia for the equivalent of $700.

In Russia, Mr. Speaker, the situation is even worse: They do not have any refrigerators. When I was a young boy we were obliged to use window space as a refrigerator for our quarts of milk, our bread and butter. That is what they do in Moscow today, after 50 years of freedom, of what they call democracy for the people. I have seen men, women and youngsters working in these countries.

I hear my hon. friends from the New Democratic party saying that they have the solution to our problems. They had the solution in England, which can be considered a close parallel to the Canadian scene. For years England was ruled by the Conservative party. The labourer, the workingman, then became sick and tired of the Conservative party and voted Labour. He went "N.D.P.", though that is not what the English party is called. They seem to be associated anyway.

During the election compaign the deputy leader of the New Democratic party in the province of Quebec, Mr. Robert Cliche, was asked on T.V. one night how his philosophy was helping England. He replied: "Well, that is a different situation. There is a bad situation over there which is not easy". So the interviewer said: "Well, you say you are able

to keep people out of trouble. If they are in trouble in England, what are you doing to help them?" "Well," replied Mr. Cliche, "never mind about that; let's get back to Canada where it is easier to work out solutions".

There was a socialist government in the province of Saskatchewan for 17 years, following which the government was defeated. The leader of the socialist party in Saskatchewan was defeated in a general election. He was then re-elected in a by-election. Now once again he has been defeated in a general election. This is not because the leader of the New Democratic party is not a fine gentleman; he is definitely a fine gentleman. But his solutions are not going to solve our economic problems. Those solutions are to abolish free enterprise, as do away with personal initiative. I would ask the N.D.P. members to show me where in the world, in countries that have abolished personal initiative and freedom of enterprise, conditions have improved instead of worsened.

In the province of Quebec there is a good friend of the hon. member for York South by the name of René Levesque. Mr. Levesque was minister of national resources in the Quebec government and in the 1962 election campaign made an issue of the nationalization of electric power. He stated that this was the key which would permit the people to become masters in their own province. The government was re-elected on the strength of the promise that the people of Quebec would become masters in their province. Electric power was nationalized in 1962. We are now in the year 1968, some six years later.

Mr. Lewis: Are you opposed to nationalization of that sort?

Mr. Caouette: Yes, definitely opposed.

An hon. Member: Are the Liberals?

Mr. Caouette: That is a matter for them. I am not a Liberal, but a Social Crediter.

Mr. Lewis: They were agreeing with you a moment ago.

Mr. Caouette: They may well agree with me when they understand my explanation.

An hon. Member: What about the position of B.C.?

• (9:30 p.m.)

Mr. Caouette: I am opposed to nationalization even in B.C. As I was saying, Mr. Speaker, power in Quebec was nationalized, and look at the situation in which Quebec Hydro finds itself today. In former days minister René Levesque was telling the people that the big profits realized by Shawinigan Water and Power would be distributed among the population of the province, that they would benefit in the form of a rate cut. So, after six years we ask ourselves one question. Are we better masters today than we were in 1962? No. Have the rates been cut? No, they have been doubled.

Some hon. Members: Oh, oh.

Mr. Caouette: And Shawinigan is not making any profit—oh, no. The government of Quebec could not even pay Shawinigan for the nationalization cost. So the government made an agreement to pay interest on the money they owe to Shawinigan.

In the last few years Shawinigan had been making a profit of 4.2 per cent on its capitalization. Now, without having to administer anything, without workmen having to climb posts, without having to put up wires, the company is receiving from the government of Quebec 5.8 per cent.

Some hon. Members: Oh, oh.

Mr. Caouette: That is the result of socialization or nationalization.

Free enterprise makes profits, yes. Free enterprise will give us results; governments, whether provincial or otherwise, will not give similar results with our own money because no one in government wishes to be responsible. When you fall into the hands of any government agency or bureaucracy you do not find people who are willing to take responsibility. One man will send you to another and this other knows nothing of your problem and sends you somewhere else. You keep going round and round. On the other hand when you go to someone in private enterprise, to someone who owns a private enterprise, he will deal with your problem. He will tell you about the extent of his enterprise.

A man in private enterprise will tell you, "We are making so many millions a year." Where are the men in Canada today who can write out a cheque for $1 million? Where are such free enterprisers? They are not piling up their millions in the corners of their rooms. They are using their money to expand industry, to create more jobs, more goods, to fight inflation and to fight unemployment.

We do not think the government should do everything for us in our society. We are

strongly opposed to all political organizations the aims of which are the furtherance of the sectional interests or organized labour, business or finance.

I come to my fourth point, after which I shall have finished. The physically possible must be regarded as the financially possible. Whatever is physically possible, desirable and morally right can and should be made financially possible, and the Prime Minister need not be a magician to bring about such a state of affairs.

He knows that we have the necessary men with skills, as well as goods and productive capacity to create enough goods and services for all our people. In so far as we have the capacity to use our national resources, credit ought to be provided to make their utilization possible. In other words, we should make financially possible what it is physically possible to carry out.

I have been talking about the government of Quebec and I wish to read something that is in French.

[*Translation*]

At the National Harbour Board, we have asked the president, or rather the bridge superintendent, what was the cost of Montréal Jacques-Cartier bridge, what amount we had to pay in interests, since it had been built, and what was the amount of our debt on Jacques-Cartier bridge. Well, here is the content of the letter that Mr. J. A. Clément engineer, bridge superintendent, sent to a certain Mr. Chénier, and I quote:

Mr. Jos. A. Chénier
Greenfield Park, P.Q.
Dear Sir:

Your letter of May 9, 1968, requesting some information on Jacques-Cartier bridge, has been brought to my attention. I am pleased to supply you with the following informations:

1. Original cost of Jacques-Cartier Bridge: $18,571,308.71.

That is the cost of the bridge: materials, labour, contractors, anything related to the construction of the bridge: $18,571,308.71.

3. Interests paid so far: $20,198,266.53.

The amount of our present debt on the bridge? $14,065,605.39.

An hon. Member: The just society!

Mr. Caouette: That is what the just society is!

An hon. Member: Just for the fun.

[*English*]

Mr. Knowles (Winnipeg North Centre): That is private enterprise.

[Mr. Caouette.]

Mr. Caouette: There is a distinction. This is not private enterprise; it is the private enterprise system, and the government is responsible for this state of affairs.

The other night on television the Secretary of State (Mr. Pelletier), who now represents the constituency of Hochelaga, said in so many words, "Well, the interest is nothing. You can see all the cars and all the trucks and people which have crossed that bridge. All that traffic paid for it in the end. What is the $20 million when we have made $100 million out of the investment." At any rate, that was his explanation. I want to ask this: If his explanation is right, then the bridge cost us $18 million. Why then have we not built a second bridge with the $20 million of interest so that we can transport more goods, more people and more of everything over it and be $20 million better off?

[*Translation*]

Mr. Speaker, that is the solution, beyond the shadow of a doubt. If the Prime Minister really wants a just society, let him study these four points; if he does not have the time to study them, he should have the people around him study them, his private secretaries, and let us have first some order in our finances. This afternoon, the Prime Minister told us: we cannot carry out these works, we cannot undertake this other thing, nor can we carry on any longer this other project because we lack money. However, he knows full well that we shall continue paying practically one billion and a half in interest this year alone on our public debt. And that will not be to the advantage of the Canadian people. The monetary system is wrong. I am looking at the Minister of Agriculture (Mr. Olson). He knows what I say, he understands it.

Some hon. Members: Hear, hear.

Mr. Caouette: I hope that the Minister of Agriculture will have some influence on the Prime Minister, in order to make him understand the importance of monetary reform. We go back to our ridings and we get reelected. We come back here and we have problems. I had the visit of a member of the just society and people like him I receive by the hundreds, Mr. Speaker, every day, between the sessions, because we have to pay for our stamps at the parliament in Ottawa, we the members and even the party leaders. I have myself paid about $800 in stamps, while working for my constituents, for the Canadian people, as a member for the riding I represented at that time.

Mr. Speaker, it is inconceivable that we must pay such sums. But to come back to the just society in which we live, and more especially to the famous social welfare that exists in all the provinces, in Quebec as elsewhere, the federal government provides for 50 per cent. That is a joint program. We must get together to decide whether the joint program must be reduced or not. In any case, Mr. Moïse St. Denis who is 75 years old and whose wife is 63 presented himself last week at my office, in Rouyn. Mr. St. Denis used to receive a pension of $107.10 and his wife used to get a supplement of $30 which gave them $137.10. Last year, Mr. St. Denis managed to find a small job that enabled him to earn $500. The government learned of that—officials of the welfare office. Then, last week, he was told that $10 of his money will be kept back every month to refund the sum which he received while he was working last year for two or three months. Today he gets $127.10 to live on with his wife. He pays $75 rent monthly. Can one imagine how with $52.10, a man and a woman can live today. That is the just society in which we live nowadays.

Mr. Speaker, we know that poverty in this land is a fact and the Prime Minister might well say it. We know that there are poor people, but we just want to replace their plight by a just society. In my view, only one step needs to be taken if we are to achieve a just society in Canada; that is to put our finances into order and not only our taxation system. The Prime Minister may well introduce programs, as those expected in a mid-October budget, to divert money from the wealthy to the needy, and I shall say in English—

[*English*]

—it is the system by which you take away from the "haves" to give to the "have nots". Finally you will have all kinds of "have nots" and no more "haves" in Canada.

• (9:40 p.m.)

Some hon. Members: Hear, hear.

[*Translation*]

That is what is going to happen.

So Mr. Speaker, we hold that what is physically feasible—not on the moon but here below in Canada, in our own country—may be financially possible. Once such a system is adopted, other reforms will come about easily. It will not take ten, twenty or twenty five years. Once order is restored in finances, the rest will come out very easily. Such is the solution, the means, the way to achieve a just society in Canada. If the Prime Minister is serious whenever he speaks about a just society, I hope and I wish he will be serious when introducing the legislation that will bring the financiers to reason and allow the government of Canada to put Canadian abundance at the disposal of Canadians who need it, and at the same time to assist the foreign countries that need our assistance.

[*English*]

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, when I put my name on the list of those who wished to speak I did not realize I would follow such eminent speakers as those to whom we have been listening today. Indeed I feel somewhat guilty to be following the hon. member for Temiscamingue (Mr. Caouette) who spoke so humourously, and who made so many excellent points.

I should like to begin by congratulating you, Mr. Speaker, upon your appointment, and by extending congratulations also to Mr. Deputy Speaker, the hon. member for Peterborough (Mr. Faulkner) and to the Deputy Chairman of Committees, the hon. member for Bonaventure (Mr. Béchard). I also wish to congratulate the hon. member for Madawaska-Victoria (Mr. Corbin) and the hon. member for Kamloops-Cariboo (Mr. Marchand) who moved and seconded the motion for the address in reply. Both did excellently and I have no doubt we shall hear much more from them in this house.

This afternoon and this evening we heard the Leader of the Opposition (Mr. Stanfield) and the hon. member for York South (Mr. Lewis) list a long litany of subjects which were not referred to in the speech from the throne. This was not in it, they said; that was not in it—and so on. The hon. member for York South spoke about originality. Well, I do not think it would take very much originality for any one of the 265 of us in this chamber—

Mr. Knowles (Winnipeg North Centre): Order.

Mr. Allmand: —to call attention to matters which were not mentioned in the speech from the throne. I note that the hon. member did not refer to any of the 47 bills which were tabled after the speech from the throne had been delivered, and neither did the Leader of the Opposition. None of these bills was mentioned, although they were a clear indication

of the intentions of the government with regard to legislation. I though this was a strange omission, because in that list were such bills as the bill to lower drug prices and the bill to amend the patents legislation. I recall that when this party was seeking to leave the House of Commons in order to elect a new leader, members of the New Democratic party insisted that we stay here because that bill was so important that they did not wish parliament to adjourn without dealing with it. Yet today the leader of the N.D.P. comes to the house and says there is nothing of value in the speech from the throne.

As I said earlier, it does not require much originality to make statements of that kind. I myself feel there are many important pieces of legislation among the 47 bills listed; for example the languages bill, the agriculture legislation, the legislation concerning the Bankruptcy Act, and many others.

Both the Leader of the Opposition and the hon. member for York South referred very often to the subject of poverty, and drew attention to the statements made about poverty by the Economic Council of Canada. But as the Prime Minister (Mr. Trudeau) said this afternoon, poverty was not discovered by the Economic Council when it put out its report. The Liberal party has been trying to deal with poverty for more than 30 years and has been doing a reasonably good job.

I would remind hon. members opposite that it was the Liberal party which secured the passage of the Canadian assistance plan legislation; it was the Liberal party which was responsible for the passage of the Canada Pension Plan, the medicare program, the manpower program and many similar pieces of legislation. So we have been trying to wage this war on poverty for a long time. When I listened to the Leader of the Opposition and to the hon. member for York South the question which occurred to me, as it did to the hon. member for Témiscamingue, was this: If it is so easy to eliminate poverty, why did not the Leader of the Opposition, who was premier of Nova Scotia for 11 years, deal with this question in some of his speeches from the throne. The last time I was in Nova Scotia it appeared to me that poverty had not been defeated there, despite the programs put into operation by this government during the past five years. If it is just a matter of putting things in speeches from the throne, why was more not done in the 11 years during which the Leader of the Opposition was premier of Nova Scotia?

[Mr. Allmand.]

Then again, as the hon. member for Témiscamingue put it, if the New Democratic party possessed these magic solutions, if it knew these answers during the 17 or 19 years during which it held power in Saskatchewan, why was there still so much poverty when it left office there? The hon. member for York South spoke about reprehensible actions and half truths. I thought it was very reprehensible for the hon. member to make the statement in this house—and members of his party applauded him—to the effect that other members of this house were making the same mistake as the Canadian electorate had made. Too often members of the N.D.P. take the attitude that when the voters become more intelligent they will vote for that party. They leave the suggestion that the voters are not too intelligent at present, but when they become better educated they will vote for N.D.P. candidates. I find this a reprehensible attitude. The Canadian people know better than either the Leader of the Opposition or the hon. member for York South who can best handle the business of this country—and it is the present Prime Minister, and the party to which I belong. The people have the good judgment and the intelligence to know it, though they are aware that there are no panaceas, as we pointed out during the campaign. The hon. member for Temiscamingue made a good point when he reminded us that if the New Democratic party or their colleagues in Britain did, indeed, possess magical solutions we might have expected them to embody those proposals in speeches from the throne and proceed to eliminate poverty.

What is wrong with speeches from the throne? In my opinion they are anachronistic, completely out of date in this modern age. Under this system a man who is a politician, a man who knows where he is going, has to prepare a speech to be read in an impartial way by someone who is non-political. I should like to see the session started with a speech from the Prime Minister, and the debate would go on from there. I do not know exactly how it would be arranged. Possibly when we appeared in the Senate chamber the Governor General could say a few welcoming words before concluding: "Now my first minister will deliver the program for this parliament."

Some hon. Members: Hear, hear.

Mr. Allmand: We should not have to attend here and listen to the first speech in this house being made by the Leader of the Opposition. The first speech should come from the

Prime Minister. He should set the tone for the work of the session. As the procedure is now, even if the speech were read by Christopher Plummer I do not think he could come up with anything inspiring, whatever the content. As I say, I believe the present procedure to be anachronistic, and feel it should be changed.

One of the points I wish to bring up this evening concerns the Canada Elections Act. I feel we should not allow our experience of the election to become too distant before correcting some of the provisions in that legislation which in my opinion are unfair, and which denied the franchise to many Canadians.

• (9:50 p.m.)

Today a question was asked of the President of the Privy Council (Mr. Macdonald) by, I believe, the hon. member for Winnipeg South Centre (Mr. Osler), about whether amendments would be made with respect to bedridden people, and so forth, and the President of the Privy Council replied that he would be quite willing to hear suggestions. I think we should give him suggestions now, while these things are fresh in memory.

The election was held at the beginning of summer, just when the vacation period had started. Some people had planned their vacations a year ago. They had bought tickets to go across Canada, to go south or overseas. There should be a provision in our election act for absentee voting in such cases, and it should be more elaborate than the present two days advance voting. With all the technical advances we have, there is no reason why people who have been enumerated cannot vote, despite the fact that they are not in their constituencies on election day. Their votes could be transferred to another returning office in Canada, or to a consulate or embassy abroad.

It is also unfortunate that Canadian citizens living abroad, such as members of the foreign service, cannot vote through their embassies and consulates. Other countries have procedures whereby this is done, and we in Canada should do likewise.

Since this is the debate on the speech from the throne I would like to put on record some of my goals for this parliament and some of the goals of the people living in the Montreal area particularly, since my constituency is in Montreal. I know that the poverty program is a matter of priority. I have already mentioned the drug bill which will assist the war on poverty and help achieve the just society, despite what the Leader of the Opposition (Mr. Stanfield) and the hon. member for York South (Mr. Lewis) may say.

I feel that in my constituency poverty is felt most by the older people. They suffer more than any other group. I would hope some things could be done to improve their situation. Although this party has done a lot in that regard I think we should do more. For example, Mr. Speaker, I would like to see the extra $500 exemption, which is now given at age 70, granted at age 65, particularly because we have lowered pension eligibility to that age.

Montreal is one of the principal transportation centres in Canada, and many people in that city have been wondering when there will be an appointment to the presidency of Air Canada. This important crown corporation has continued for a considerable length of time without a president. People in my area feel there are good men available. They do not believe it is good for the morale of the company that it continue to operate without a new president and I think the government should act on this matter as quickly as possible.

A frustrating experience with air transportation, despite the advance in aircraft technology, is the time taken to reach an airport from one's home. In the Montreal area one can spend more time going from his home to the airport, and from another airport to his ultimate destination, than he spends in the air. Something should be done about this problem, especially with respect to the proposed new airport in Montreal. I understand the government is taking this matter into consideration with respect to that new airport, and I urge that every effort be made to make the best use of fast jet travel.

I also wish to mention questions of security and labour problems at the port of Montreal. Last spring the Minister of Labour did a fantastic job of settling a potential strike at the port. However, I wish to point out to the house that the agreement reached then will last only until the end of this year, and then we will be faced with another situation.

Several things to make life more agreeable for men working in the port should be done by the government, but it appears that these things are not being done as quickly as possible. I refer to the provision of rest rooms, restaurants, waiting rooms and so forth. They have been sought for a long time and the government has promised them. I understand

that a pilot project has begun, but I believe the government should act more quickly.

There is also the question of security in the port. The other night I read an article by Bruce Taylor in the Montreal *Star*, describing the lax situation that exists, whereby anybody can go on to the docks in Montreal and steal goods. This comes at a time when a royal commission is sitting to investigate the question of security of the docks. One would think that the National Harbours Board could do much more to prevent theft and improve security on the wharves.

I hope that within the next three or four years this parliament will do something definite with respect to the pollution problems of air and water. Anti-pollution measures have been adopted in the United States and other countries. We are starting to act on these problems in Canada, and we should adopt a national water act as soon as possible. We are one of the richest countries in the world so far as water resources are concerned, but unless we act quickly these resources will not be preserved in a good state. To combat air pollution better automobile exhausts must be devised, and there must be legislation to maintain the purity of air.

The Prime Minister and the government are to be congratulated upon their intention to introduce an official languages act. It is important that the federal government set an example by introducing that bill as quickly as possible because some extremists in Canada, extremists on both sides, want to try to eliminate the language of those with whom they disagree. At present in Montreal a group of new Canadians, mostly of Italian origin, live in an area where the local school board is controlled by a group of people whom I call extremists, people who are trying to eliminate the use of the English language in the local schools. I hope that by passing legislation such as the proposed official languages act, a higher level of understanding between language groups will be reached in all provinces of Canada.

I also hope that we will continue to press for the incorporation of a charter of human rights in the constitution, so that no school-board, no municipality, no province can take away the language rights of citizens. Mr. Speaker, I have confidence in the government and I know it will do a good job for us.

BUSINESS OF THE HOUSE

Mr. Baldwin: May I inquire what will be the business for tomorrow?

Mr. Macdonald (Rosedale): Tomorrow we will continue the resumed debate on the address in reply to the speech from the throne and the amendments thereto.

Mr. Speaker: It being ten o'clock this house stands adjourned until eleven o'clock tomorrow morning.

At ten o'clock p.m. the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Tuesday, September 17, 1968

The house met at 11 a.m.

CANADIAN CONSTITUTION

REQUEST FOR REPORT ON MEETINGS OF FEDERAL-PROVINCIAL OFFICIALS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to direct a question to the Prime Minister. Will the right hon. gentleman tell the house whether in the meetings of the federal-provincial officials concerning the constitution, to which he has referred, consideration has been given to the question of an amending formula for the constitution?

Right Hon. P.-E. Trudeau (Prime Minister): The questions which are being discussed by these officials are those which were decided at the meetings held at government level last February by federal and provincial heads of government. The amending formula, it was decided then, was not among the priority items. The committee agreed it was more important to try to reach agreement on the substance than on the mechanics of changing that substance, as had been attempted for years and years, so we agreed to reverse the order and that is why the officials are not discussing the aspect to which the hon. gentleman referred.

Mr. Stanfield: Will the Prime Minister undertake to make a full report to the house in the near future as to the agenda for the meetings of the officials? Could he also give the house a report as to what progress has been made in the various areas under discussion? If he is not prepared to report as to progress, can he not at least give a full and precise report regarding the agenda of the meetings?

Mr. Trudeau: The agenda can easily be found; it follows from the agenda established in public in front of television cameras last February. I should not like to say more about these discussions at the moment for the simple reason that the provincial and federal governments decided jointly that the officials should hold their discussions in camera and that no public statements should be made.

Mr. Stanfield: Is the Prime Minister not prepared to inform the house precisely as to the agenda which is being discussed?

Mr. Trudeau: The Leader of the Opposition should understand that this is not a strictly federal matter. This is being done in co-operation with the provinces. It was decided that these meetings should be private; the provinces have been quite firm in that respect, and I think they are quite right.

[*Translation*]

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

In view of the fact that high officials are meeting at the present time, when does the Prime Minister envisage a meeting between the federal and the provincial governments to discuss constitutional matters?

Mr. Trudeau: Mr. Speaker, as I said yesterday or the day before, I have written to the provincial premiers to suggest a conference of the Prime Minister and premiers in the second half of November or December. I am still awaiting their answer, but that is the date we suggested.

[*English*]

INDUSTRY

AUTOMOBILES—REPRESENTATIONS RESPECTING PRICE INCREASES

On the orders of the day:

Mr. David Lewis (York South): I should like to direct a question to the Minister of Industry, Trade and Commerce. In view of the announcement reported in today's press that Chrysler has raised the price of cars in the United States, will the minister inform the house whether he is getting into contact with the Canadian subsidiaries of the United States auto makers in order to make sure there is no increase in car prices in Canada?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The purpose of the automotive agreement was, among other things, to reduce the differential between the cost of automobiles in Canada and in the United States. Over the period of three or four years this has been done to a great

extent. When the agreement was put into operation the price differential between Canadian and United States cars was about 8 per cent. It has now been brought down, on an average basis, to about 3 per cent. I have made inquiries and I understand that some standard cars are sold in Canada, wholesale of course, at the same price as in the United States. I also understand that if one shops around properly he might find some cars being sold in Canada at a slightly lower price than they are in the United States.

Mr. Woolliams: Where?

Mr. MacInnis (Cape Breton-East Richmond): That is only to cabinet ministers.

Mr. Pepin: I could not give names of cars because—

Mr. Speaker: Order, please. It appears to me that the minister is now going beyond the terms of the question asked by the hon. member.

Mr. Lewis: As a supplementary question, Mr. Speaker, do I understand the minister to say to this house and to the people of Canada that when the United States price increase is just a little more than the Canadian price increase, then the purpose of the auto pact will be served; or is he going to take steps to see that the price is not increased in Canada unless such increase is fully justified?

Mr. Pepin: I was just trying to say that the effects of the automobile agreement on prices have been concrete. I was just trying to demonstrate that, and if I had been given more time I was going to say that these moves are expected to continue.

Mr. Speaker: Order, please. I do not think the minister should be given more time.

Mr. Lewis: He has no answer.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a supplementary question to the Minister of Industry, Trade and Commerce. In view of the fact that the letters which the presidents of Canada's three largest automobile companies recently sent to the minister made no mention of any undertaking to increase Canada's share of North America's automobile production in the 1969 model year, has the minister since been in touch with these company presidents to make sure that Canada does receive a satisfactory increase in the 1969 production year?

[Mr. Pepin.]

Mr. Pepin: I do not agree with that at all, Mr. Speaker. In the letters which were sent to me by the three leading manufacturers up to now—and I expect other letters from the less important ones—

An hon. Member: Less important?

Mr. Pepin: —they gave me clear indication that they agree with the automotive agreement, that they have made progress under it and are going to continue making progress. And they gave examples of the kind of progress they have in mind.

Mr. Speaker: Order, please.

Mr. Pepin: This is only part—

Mr. Speaker: Order, please. Perhaps we might go into another subject.

NATIONAL DEFENCE

NATO—OPPORTUNITY TO DISCUSS RENEWAL OF AGREEMENT

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the right hon. Prime Minister. Will the Prime Minister make a statement in regard to the renewal of the NORAD agreement which, as the house knows, was contracted since the dissolution of the last parliament; and will parliament be given an opportunity to discuss this important commitment?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, there will of course be an opportunity during the throne speech debate to discuss this matter, but it is the intention of the government to give parliament ample opportunity to discuss all aspects of Canada's foreign policy. A special effort will be made to bring these matters before the parliamentary committee, at which time the NORAD agreement can be discussed; but if the house wishes me or the Prime Minister to make a statement in the house at some appropriate time then we have no objection whatever.

Mr. Brewin: As a supplementary question, is the minister aware that the former prime minister said on March 11 that his government—

Mr. Speaker: Order, please.

Mr. Brewin: —would make its decisions—

Mr. Speaker: Order, please. The hon. member obviously is not asking a question that is

in order. Will the hon. member kindly resume his seat? The hon. member is asking whether the Prime Minister is aware of a statement made previously. That is not a question that can be put at this time.

UNITED NATIONS

CYPRUS—POSSIBLE WITHDRAWAL OF CANADIAN FORCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, because this question concerns two departments I direct it to the Prime Minister. It has to do with the Canadian contingent serving with the United Nations forces in Cyprus. Archbishop Makarios has stated that our contingent there could be withdrawn now without danger to the peace of that island country. Costing Canada, as it does, $3½ million a year, and Canada bearing the responsibility for this payment as does no other United Nations country for its contingent, does not the Prime Minister consider the time is now appropriate to end this beneficence on the part of Canada?

Right Hon. P.-E. Trudeau (Prime Minister): I will be glad to discuss this with the two ministers mentioned by the right hon. gentleman.

THE BUDGET

INQUIRY AS TO FORM OF PRESENTATION

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Finance. In the light of the answer he gave the hon. member for Prince Edward-Hastings yesterday, in which he mentioned the proposed date of the budget, would the minister advise the house whether this will be in the usual form of a budget preceded by a white paper so we can discuss the whole financial situation of the country, or is this to be merely another tax-grabbing budget?

Hon. E. J. Benson (Minister of Finance): It will be a full budget.

Mr. Lambert (Edmonton West): Will the minister advise the house whether this budget will include tax reform proposals, or has the minister abandoned the proposal that his predecessor in office made to this house that the tax reforms would be preceded by a white paper, and that legislation would follow in due course?

Mr. Benson: Mr. Speaker, I answered this question yesterday.

Inquiries of the Ministry

EXTERNAL AFFAIRS

STATEMENT BY FRENCH FOREIGN MINISTER RESPECTING PRIME MINISTER

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I should like to direct this question to the right hon. Prime Minister. Has the government taken official cognizance of yesterday's extraordinary statement by the foreign minister of France, Mr. Michel Debre, accusing the Prime Minister of making false statements; and is Canada forwarding any official protest?

Right Hon. P.-E. Trudeau (Prime Minister): No, Mr. Speaker. Politicians even of this country accuse the Prime Minister of making false statements. I don't.

[*Translation*]

DOMINION-PROVINCIAL RELATIONS

QUEBEC—DISCUSSIONS RESPECTING JURISDICTIONAL CHANGE

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to direct a question to the hon. Minister of Manpower and Immigration.

Could he tell us whether the Quebec government entered into conversations with the federal government last summer, in order to assume responsibility for unemployment insurance and vocational training, as suggested on March 27 by honourable Paul Dozois in his budget speech?

[*English*]

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): I have had no conferences with the representatives of the government of Quebec on any of these proposals.

AGRICULTURE

SUGAR BEETS—PAYMENT TO ONTARIO GROWERS

On the orders of the day:

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, I should like to direct my question to the Minister of Agriculture. On or about June 7 the then minister of agriculture announced a payment of $60 per acre to farmers of southwestern Ontario for not growing sugar beets. I wonder whether the minister can say when the farmers will receive their cheques.

Hon. H. A. Olson (Minister of Agriculture): I will take the question as notice.

Inquiries of the Ministry

LABOUR RELATIONS

INQUIRY AS TO STEPS TO PREVENT FUTURE STRIKES

On the orders of the day:

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, my question is directed to the Prime Minister. Owing to the fact that the people of the nation are viewing with alarm and anxiety the increasing number of strikes which affect the public interest through curtailment of vital functions in our economy, does the government plan to take any action that would be helpful in these situations?

Right Hon. P.-E. Trudeau (Prime Minister): There is a committee on labour questions which was set up by the previous government. I have talked to the chairman of that committee, Dr. Woods, and I understand there will be a report before Christmas. We will decide then what action should be taken on that report.

An hon. Member: Which Christmas?

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, since the right hon. Prime Minister says we must wait for the report on strikes, could he tell me if we must wait for that report to end the strike at the Garage Royal in Rouyn?

[*English*]

TRADE

WHEAT—STEPS TO DISPOSE OF CARRYOVER

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to direct this question to the Minister of Industry, Trade and Commerce. As the D.B.S. figures just released indicate that the wheat carryover in this country on July 1 was the second largest in history, would the minister take the opportunity provided by the throne speech debate to outline to the country and the house what steps the government plans to take to sell this enormous carryover of wheat?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I will consider this generous offer.

[Mr. Olson.]

AGRICULTURE

ONTARIO—INQUIRIES AS TO MEETINGS WITH CORN PRODUCERS

On the orders of the day:

Mr. Arnold Peters (Timiskaming): Mr. Speaker, has the Minister of Agriculture received a request from the Ontario Farmer's Union for a meeting to discuss the serious marketing and pricing problems of this year's corn production? If so, what date has been set for this imperative meeting?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the farmers' union of Ontario has already had one meeting with the Minister of Agriculture and senior officials of the department. That meeting was held in August. There are three other groups also representing corn producers in southern Ontario who have requested a meeting. One meeting was held a few days ago and another will take place this Wednesday. Perhaps we will be able to hold another meeting with the F.U.O. regarding this problem before the end of this week, providing we have had the opportunity of hearing from other groups who legitimately claim they also represent Ontario corn producers.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, this matter has been raised on several occasions, but I should like to ask the minister how soon he can make an announcement in the house as to the intentions of the government in respect of this very serious problem.

Mr. Olson: I will consider an announcement as soon as the groups who in fact represent the various sections of the corn producing industry agree on what action the government ought to take.

[*Translation*]

QUEBEC—INQUIRY AS TO ASSISTANCE TO FARMERS

On the orders of the day:

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to address a question to the Minister of Agriculture.

Eastern Quebec farmers, especially in the riding of Bellechasse, have suffered heavy losses due to crop damage in 1967.

Has the Quebec government or any farm group made representations to the Minister of Agriculture so that financial assistance may be provided to the farmers involved, prior to

the coming into force of the Quebec Crop Insurance Act?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there have been many requests to the federal government during the past three years for what might be called special ad hoc assistance programs. For approximately the last three years the position of the federal government has been that it would participate in approved crop insurance programs to the extent of 50 per cent of administration costs and 25 per cent of premiums. It is very difficult to deviate from this program when the emphasis has been in that direction in order that we may have established crop insurance programs all over the country to deal with these problems as they arise.

CANADA COUNCIL

INQUIRY AS TO GRANT TO FRANCOIS DORLOT

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Secretary of State. In view of the fact that Francois Dorlot, the recipient of a Canada Council grant for study in France, has been linked with the Rossillon affair, and the strong stand taken by the Prime Minister on this subject, what action is the government taking in the matter?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, we have been in touch with the Canada Council about that matter. It is true that the council has granted that student who, I am told, is very brilliant, upon his teachers' recommendation, a scholarship to write a thesis on a matter as far removed from contemporary politics as the waterway traffic in Canada around the 17th century. The Canada Council told us that it does not investigate the recipients' political beliefs and awards its scholarships according to the candidates' intellectual and academic qualifications.

[*English*]

Mr. Dinsdale: Mr. Speaker, perhaps I should be more specific. What action will the government take to assure that Mr. Dorlot will not be one of Mr. Rossillon's secret agents to agitate among the French speaking minority upon his return to Canada?

Mr. Speaker: Order.

Inquiries of the Ministry

HARBOURS

POSSIBLE MOVE OF BOARD HEADQUARTERS FROM OTTAWA

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the acting Minister of Transport, and may I express the hope that the minister's absence from the house will be only temporary. Will the National Harbours Board headquarters be moved from Ottawa to Montreal, and can the minister give any possible reason for this move?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, in the absence from the house of the Minister of Transport I would like to reply to the hon. member. There is no plan to move the National Harbours Board from Ottawa to Montreal. However, the future use of the administration building at Expo is being studied, and it is possible that the management of the port of Montreal, which is part of the National Harbours Board system, will be moved to this building. It was for that reason that there was a misunderstanding and an inaccurate report in the press, but I emphasize that there is no thought at the present time of moving the headquarters from Ottawa.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I have a question for the Prime Minister. Has the Prime Minister instructed Mr. William Lee to countermand the invitation extended to his friends to use the switchboards of the Prime Minister and the Deputy Prime Minister for the purpose of relaying calls—

Mr. Speaker: Order, please.

Mr. Coates: —to his new firm, in view of the fact that the first contracts obtained by Mr. Lee and Mr. Neville in their private capacity have been from the government of Canada?

Mr. Speaker: Order.

[*Translation*]

INDUSTRY

QUEBEC—REQUEST FOR REPORT ON DESIGNATED AREAS

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to direct my question to the Minister of Industry, Trade and Commerce.

Inquiries of the Ministry

Could he tell us whether a study is now under way with regard to underdeveloped areas and whether we can expect to receive shortly a report on the areas which, in his opinion, are to be considered as underdeveloped in 1969?

[*English*]

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): Mr. Speaker, in the absence of the minister I will take that question as notice and refer it to him.

AGRICULTURE

CANADIAN WHEAT BOARD—INQUIRY AS TO TRANSFER OF JURISDICTION

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct this question to the Prime Minister. Would the Prime Minister advise the house whether it is his intention to transfer the responsibility for the Canadian Wheat Board from the present Minister of Trade and Commerce to the Minister without Portfolio from Saskatchewan?

Mr. Speaker: Order, please.

Mr. Woolliams: Maybe I could rephrase my question, Mr. Speaker.

An hon. Member: You had better.

Mr. Woolliams: Is it the intention of the Prime Minister to transfer the Canadian Wheat Board from the Minister of Trade and Commerce to the Minister without Portfolio from Saskatchewan?

Right Hon. P.-E. Trudeau (Prime Minister): It doesn't sound much better, does it, Mr. Speaker?

Mr. Woolliams: May I rephrase my question in this way, Mr. Speaker. I direct it to the Prime Minister. With reference to the export of grain, is the Prime Minister aware that a contract has now been signed between France and Japan which will take the final amount of grain that we would be shipping to Japan under our export contract?

Mr. Speaker: Order, please. I suggest to the hon. member that the question as asked is not in order. I indicated earlier to an hon. member that to ask simply whether a minister is aware of a particular matter is not in order.

[Mr. Rondeau.]

EXTERNAL AFFAIRS

BIAFRA—SUGGESTED ACTION BY UNITED NATIONS

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Secretary of State for External Affairs. I wonder whether Canada is going to try to have the United Nations deal with the tragic war in Nigeria?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the Canadian government, as are all members of this house, is very, very concerned about these tragic events in Nigeria and Biafra. We have been exploring the best means by which the force of public opinion in the world could be brought to bear, and the question of bringing the matter before the United Nations has been considered. As I said in answer to a question the other day, the best way this matter could be brought before the United Nations would be by the neighbouring countries of Nigeria.

Mr. Diefenbaker: Why not by Canada?

Mr. Sharp: The Africans are on the spot, very much concerned, as we are; and I am sure nobody in this house would suggest that we in Canada are more concerned than are the people of the neighbouring countries of Nigeria about the tragic events of these days. If the countries of the Organization for African Unity are not prepared to take an initiative—and we must wait to see—the Canadian government would have no hesitation in bringing before this world body the humanitarian aspects of this conflict.

An hon. Member: Why not now?

Mr. Sharp: There are two questions involved here. One is that I do not think we should intervene in the political affairs of the people of Nigeria. I do think, however, that we, like all the other people of the world, are concerned with the humanitarian aspects. That is why we have been concentrating our efforts in that direction. I can assure the house that if this were the best way of bringing the matter before the United Nations, the Canadian delegation would not hesitate to take the initiative.

Mr. Fairweather: I have a supplementary question. Is the minister not aware that the Organization of African Unity has declined to take the initiative at the United Nations, and does this not now free Canada's hands?

Mr. Sharp: Mr. Speaker, I do not think it is possible to give as definite an answer as that. The Organization of African Unity is still seized of the question and meetings on this question are going on currently in Africa and elsewhere. However, Mr. Speaker, it seems to me most important that we should govern ourselves in terms of how we can be most useful in this situation; not whether we can satisfy our own humanitarian instincts, which are so strong, but how we can act most effectively on behalf of the people of Nigeria and Biafra. This should be the test which should govern all our actions, both in Nigeria and elsewhere.

Hon. Robert L. Stanfield (Leader of the Opposition): Does the Secretary of State for External Affairs think it would be any use in going to the United Nations after all these people have starved?

Mr. Sharp: Mr. Speaker, the events surrounding the efforts that are being made to supply food are well known, but perhaps not as well known to all members of the house as they are to myself as the minister for external affairs.

An hon. Member: Tell us about it.

Mr. Sharp: Strenuous efforts have been made by the Canadian government over a very long period to open the way for these supplies.

An hon. Member: When did it start?

Mr. Sharp: We believed that the best means of getting adequate supplies of food was by a land corridor. This was turned down by Biafra for reasons which I can understand.

An hon. Member: Why?

Mr. Sharp: They felt this would provide a corridor for military efforts by Nigeria. So, that having failed, we concentrated on an air lift, and so did the International Red Cross. An agreement to an air lift was apparently reached on September 3 by the International Red Cross, who thought they had the agreement of both Nigeria and Biafra for this purpose. Unfortunately, as has happened on so many occasions, when the time came to implement this agreement not the Nigerians but the Biafrans turned it down on exactly the same ground, that it would interfere with their military effort.

These are the facts, Mr. Speaker. This is a most terrible war but it is being fought on both sides as a war for survival ahead of the humanitarian purposes which we all share. We are doing the best we can to make the humanitarian considerations predominate, but we have failed.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a supplementary question for the minister. In view of the fact that what is taking place against Biafra has all the appearances of genocide, is this not a matter that Canada as a member of the Security Council should bring before that body if the negro states surrounding Biafra refuse to act? Surely this is something that Canada could bring before the United Nations, being noted among the nations for its independence. Why does the government not act?

Mr. Sharp: Mr. Speaker, this is becoming a debate, but I ask for your indulgence to continue it for a few minutes.

Mr. Speaker: If the minister is willing to answer the last supplementary question.

Mr. Sharp: Mr. Speaker, there have been charges by the Biafran authorities that the purpose of the Nigerians is genocide, that their purpose is to wipe out thousands or millions of the people of Biafra. This may be so, but we do not know.

Some hon. Members: Oh, oh.

Mr. MacDonald (Egmont): What are you doing to find out?

Mr. Sharp: We are following the developments very closely indeed. For us to go to the United Nations and charge the Nigerian government with genocide is a step which I am sure we would all hesitate to take. Therefore, as I said, our purpose in all these exchanges and in all our efforts is to put the humanitarian considerations first and try to reach the starving people of Biafra and Nigeria. I believe that under these circumstances this is the best we can do, and I do not believe we should interfere and say that either Nigeria or Biafra is right in its political objectives.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. David Lewis (York South): Mr. Speaker, I want to ask the minister a further supplementary question. Like all the others I share his concern about the situation. However, could the minister tell us whether it is not possible to bring this matter before the United Nations without making charges, but to

insist that both Nigeria and Biafra explain the situation to the world? If it is not possible—and if it is I will want to ask a question based on this—in view of the fact that between the 13th and 16th of this month the International Red Cross organized about 13 flights to Biafra with inadequate planes, why is the government refusing to lend at least one Hercules plane to the International Red Cross to carry out this great humanitarian work about which the minister speaks with such feeling?

Mr. Sharp: I should like to say in answer to the first question that this is the course of action we have been considering and which we hope the African states which are neighbours of Nigeria might take; because surely it is more appropriate for the neighbours of Nigeria to take this action before the United Nations than it is for a country like Canada to do so.

Mr. Lewis: Why? It is either right or wrong, and if it is wrong why does the government not take action? Why does it have to wait for the African states to do so?

Mr. Speaker: Order, please.

Mr. Sharp: Mr. Speaker—

Mr. Speaker: May I interrupt the minister for a moment to remind hon. members that we are still in the question period. I realize that questions have been asked regarding a very serious matter, but even though the matter is of considerable importance we should still observe the normal rules applying to the question period.

Mr. Howard: Maybe we should have an answer period.

Mr. Sharp: As I said in my earlier answer, what we are seeking is the most effective way to help the people of Nigeria and Biafra. I am sure members of the house would agree that if we can get the African states which are neighbours of Nigeria to take this matter before the United Nations, it would be the most effective possible course.

Some hon. Members: Hear, hear.

Mr. Sharp: However, I will repeat what I said earlier, that if that failed we would not hesitate to do so ourselves. Our objective is to help these people in the best possible way, not just to satisfy the humanitarian feelings which we all have. To be most effective, I think the house will agree that it would be better for the neighbours of Nigeria to take this matter to the United Nations than for us to do so. However, if they will not do so we would certainly not hesitate to act.

Mr. Woolliams: How long will you wait?

Mr. Max Saltsman (Waterloo): I should like to direct my question to the Secretary of State for External Affairs. In view of his concern over the African states taking the initiative in the Biafra situation, and since they have taken the initiative of calling for a cease fire, will the minister, on behalf of Canada, join them in requesting a cease fire?

Mr. Sharp: We have called for a cease fire on many occasions. We have put our views before the Nigerian government on many occasions. We are opposed to a military settlement of this dispute. This has been the Canadian position from the beginning. This view has been expressed privately and publicly by the Secretary of State for External Affairs on behalf of the Canadian people.

Mr. Lewis: I do not blame the Secretary of State for External Affairs for having missed the second question I asked. May I rephrase it, because I think it is of importance. Is the minister aware that the International Red Cross has made quite a number of flights into Biafra with supplies and that it is in urgent need of additional aircraft? In that situation, why is the government not prepared to lend the International Red Cross at least one Hercules plane for this purpose, even if the flying is done during the night?

Mr. Sharp: Mr. Speaker, we have been having discussions with the International Red Cross about the provision of additional aircraft. There is no hesitation on our part in providing aircraft of this kind. The issue that arose earlier, and which to some extent is not now so important, was that we did not believe we should put Canadian air force aircraft, manned with Canadian military personnel as had been suggested in many parts of our country, into jeopardy by flying contrary to the wishes of the Nigerian government. If the planes were to be attacked under such circumstances the Canadian government would be involved in a very serious incident.

I suggest to the hon. members that is not a course that would commend itself to this house. No government in the world is flying supplies contrary to the wishes of the Nigerian government. What is happening now, and

I am sure it is agreeable to the house, is that we are working with the International Red Cross. We have no hesitation whatever in helping.

Mr. David MacDonald (Egmont): May I ask a supplementary question. I wonder if the minister could assure the house that the relief supplies now being loaded on a ship in Halifax will reach Biafra.

Mr. Sharp: I cannot give that assurance. All I can say is that the supplies will go to the starving people of Nigeria-Biafra.

[*Later:*]

Mr. Edward Broadbent (Oshawa-Whitby): I should like to direct my question to the Secretary of State for External Affairs. Can the minister foresee the possibility of Canada ever using her military strength to interfere with the desires of another foreign state, if in the opinion of the Canadian government that foreign state—

Mr. Speaker: Order, please. The question is much too general in nature to be acceptable at this time.

[*Translation*]

PUBLIC BUILDINGS

INQUIRY AS TO WINTER POST OFFICE CONSTRUCTION

On the orders of the day:

Mr. Henri Latulippe (Compton): Mr. Speaker, I have a question for the Minister of Public Works.

Could he tell the house whether the government intends to keep on building post offices next winter, especially in designated areas?

Mr. Speaker: The hon. member could easily put this question on the order paper.

[*English*]

CANADIAN NATIONAL RAILWAYS

OAKVILLE—REQUEST FOR INVESTIGATION INTO DERAILMENT

On the orders of the day:

Mr. R. L. Whiting (Halton): I should like to direct my question to the Minister without Portfolio, Hon. Mr. Richardson. Will the Department of Transport immediately set up an inquiry into the Canadian National passenger train derailment which occurred yesterday in the town of Oakville. In this tragedy one person was killed and eight were injured.

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, immediately upon learning of this unfortunate accident the district inspector of the railway transport committee of the Canadian Transport Commission went to the scene. He has already filed a preliminary report. The Canadian National is conducting its own investigation, but up to this moment the cause of the accident has not been determined. However, I can assure the house and the hon. member that further investigations by the Canadian Transport Commission and by the Canadian National will be undertaken.

Mr. Donald MacInnis (Cape Breton-East Richmond): May I ask a supplementary question. I should like to ask which came first, the answer or the question.

AIRPORTS

VANCOUVER—REPORTED AUTOMOBILE TRAFFIC PROBLEM

On the orders of the day:

Mr. Tom Goode (Burnaby-Richmond): I should like to direct my question to the acting Minister of Transport. Since there has been a major crisis in connection with automobile traffic to and from the Vancouver international airport during the last two weeks, resulting in long delays, what steps are planned by the minister's department to cure this serious problem?

Mr. Speaker: Order. This question, as well as the previous question, should be placed on the order paper. If I may say so, the Chair may have been too lenient up to this moment in allowing questions. The normal procedure, as hon. members know, is for questions to be put in writing on the order paper. It is only in very special circumstances dealing with matters of urgent national importance that verbal questions should be allowed. I believe all members desire to observe this general rule. I suggest that the question asked by the hon. member might be placed on the order paper.

GANDER—REQUEST FOR IMPROVED FACILITIES

On the orders of the day:

Mr. John Lundrigan (Gander-Twillingate): I should like to direct a question to the Prime Minister. In view of the serious implications emanating from reports that the stretched jets and other large aircraft are bypassing Gander international airport and landing in

another country because of inadequate terminal facilities, and in view of the announced $32 million expenditure on a west coast terminus, could the Prime Minister say what action is contemplated—

Mr. Speaker: Order. This question should be placed on the order paper.

AGRICULTURE

MANITOBA—REQUEST FOR PROTECTION AGAINST VEGETABLE OIL IMPORTS

On the orders of the day:

Mr. George Muir (Lisgar): I should like to direct my question to the Minister of Agriculture. Has the minister recently received representations from the oil seed industry of Manitoba with regard to the importation of foreign vegetable oils below our cost of production, which is having a very serious effect on this important segment of our agriculture industry?

Mr. Speaker: I suggest the hon. member should place this question on the order paper.

Mr. Muir (Lisgar): The situation has reached crisis proportions. I suggest this is a serious question which should be answered.

Mr. Speaker: It is because it is important that I suggest it be placed on the order paper.

REQUEST FOR REPORT OF SPECIAL TASK FORCE

On the orders of the day:

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. Would the minister indicate when it is anticipated that the report of the special task force on agricultural policy will be available to the government, and whether that report will be made available to members of the house.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I cannot say when the report will be made available to the house. We have asked for an interim report for December, and the task force has indicated that it is working toward delivering that interim report in December.

FINANCE

VALIDITY OF ORDER IN COUNCIL REDUCING CUSTOMS DUTIES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Minister of Justice and it relates to an order in council passed by the government when parliament was not in session concerning a reduction in customs duties. The order in council was based on the Financial Administration Act. In view of the fact this order in council is similar to one passed in 1962 which was found later to be such that it had to be validated by parliament, can the minister inform the house whether all aspects of this were checked by the Department of Justice before approval was given to this order in council?

Hon. John N. Turner (Minister of Justice): I will have to take this question as notice. I wonder whether the hon. member would send me the number of the order in council?

Mr. Knowles (Winnipeg North Centre): I will be glad to do so if the minister is not aware of it.

HOUSING

NEWFOUNDLAND—INQUIRY AS TO VISIT OF TASK FORCE

On the orders of the day:

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I have a question for the minister responsible for housing, but in his absence I will address it to his parliamentary secretary. In view of the extremely critical shortage of housing in Newfoundland, would he indicate when the minister and his task force will be visiting that province? Has the minister accepted an invitation from the inter-faith social action committee of Corner Brook to attend their conference on housing in October?

Hon. James Richardson (Minister without Portfolio): In the absence of the Minister of Transport, who is not in the house today because he is with the task force on housing, I can only reply that I am certain the housing problems of Newfoundland will be very much the concern of the task force. I am sorry I cannot give the exact dates when the task force will be in Newfoundland.

CRIMINAL CODE

AMENDMENTS RESPECTING BAIL SYSTEM AND CRIMINAL RECORDS

On the orders of the day:

Mr. John Gilbert (Broadview): My question is directed to the Minister of Justice. Is it the intention of the government to include in the omnibus bill which is to contain amendments to the Criminal Code amendments concerning

the bail system and the expunging of criminal records?

Hon. John N. Turner (Minister of Justice): At the moment I am undertaking a review of the omnibus bill with officers of the department. Representations are being received from all over the country and from members of the house. The amendments in the omnibus bill will be resubmitted, and they will include the subject matters of the original bill. I hope at an early date to be able to incorporate other Criminal Code reforms, including the matters raised by the hon. member, in a subsequent piece of legislation.

Mr. Frank Howard (Skeena): A supplementary question, Mr. Speaker. Can the minister say whether at the appropriate time after the introduction of the bill he would be prepared to refer it to a house committee, so that a thorough examination in committee could be made?

Mr. Speaker: Order. I wonder whether this question might not be asked when this bill is submitted to the house.

TRADE

PROHIBITION ON SALE OF CANADIAN TURBOT IN U.S.

On the orders of the day:

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, may I supplement an answer I gave yesterday to the hon. member for St. John's East (Mr. McGrath) with respect to Greenland halibut. The ruling of the United States food and drug administration which I talked about yesterday does not involve any prohibition on the import of Greenland halibut to the United States until November 20, the deadline for the delay that has been granted.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Monday, September 16, consideration of the motion of Mr. Eymard Corbin for an address to His Excellency the Governor General in reply to his speech at the opening of the session, the amendment of Mr. Stanfield (p. 62) and the subamendment of Mr. Lewis (p. 81).

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I be permitted to add my sincere congratulations to you on your re-election to the distinguished office you have graced in the past with so much honour and intelligence and such knowledge of the rules. My congratulations are all the more hearty because of the different circumstances under which Your Honour now occupies the Chair. I shall come back to that in a minute.

I also wish to congratulate the Deputy Speaker, the chairman of committees, and the deputy chairman of committees for having received the support of members of the house and having been elected to the positions they hold. I concur thoroughly with the remarks my leader made earlier in this debate. Without in any way disparaging the personal qualities of the incumbent of the Chair I think it is correct to say that by placing the Chair in a position of far greater independence than was the case before, we in this house have taken a considerable step forward. In this regard great credit belongs to my leader since it was largely through his initiative that this step was taken.

Some hon. Members: Hear, hear.

Mr. Baldwin: The Chair is the pivot around which this house moves. It is the foundation on which our functions rest. When one talks of the independence of the Chair—and I make these remarks without meaning to cause embarrassment to anyone—that independence must be considered in several ways. When a member of this house occupies the Chair he takes himself out of the arena of active political consideration, as he must. Nevertheless, other aspects of his independence must be kept in mind and enshrined in the position of the Chair for the benefit not only of our present Speaker but for those who will occupy his position in the future.

I congratulate the Prime Minister, of course, for his success, as well as the members of his cabinet and their parliamentary secretaries. The people of Canada have come to a decision. We on this side of the house will have to live with the government for four years. The people of Canada will have to live with both of us for the same period of time. During that period it is absolutely essential that there be the greatest measure of co-operation among all members of the house in an attempt to carry forward the business of the country, which may or may not always be the business of the government.

We in this party will undertake to be as co-operative as possible and willing to forward in an expeditious way all business of the house, subject of course to the overriding consideration that there is a duty placed on

this party in its capacity as Her Majesty's loyal opposition to protect the interests of the people of Canada. If it becomes necessary to protect those interests we shall exercise all rights we possess to the utmost.

I have been characterized as a kind, gentle and amiable person. I accept that description. No doubt the members of my party and my leader thought these characteristics were similar to those displayed by my distinguished predecessors, Hon. Michael Starr, Hon. Gordon Churchill and Hon. Howard Green, all of whom could be termed gentle and amiable unless the occasion arose when they had to fight for the rights of this house, as I shall fight and as all members of this house will fight.

I am sure the President of the Privy Council (Mr. Macdonald) will agree that I have been amiable, just as I agree that he has been amiable. I suspect that the extent of his amiability is circumscribed by the extent to which he gets his own way for the government.

I congratulate the hon. member for Madawaska-Victoria (Mr. Corbin) for his fine and skilful speech when he moved the address in reply, which indicated that he will become an ornament of this house. I am convinced that we shall hear more from this distinguished addition to the house. I also congratulate the hon. member for Kamloops-Cariboo (Mr. Marchand). I listened intently and with great interest to his speech. I was glad to hear him say that he comes to this house not solely as a representative of his people, although God knows his people have many wrongs which need to be corrected, but also as a Canadian and as an Indian to help solve the problems of the white man.

• (12 noon)

One of my opponents in the last election was a young member of the same Indian group, a fine, distinguished young man who had been a graduate of the R.M.C., had served in the air force with distinction and made a great contribution to the election. It was unfortunate, I thought, that so early in his political life he had been seduced by the wiles of hon. gentlemen to my left, because I think he would have fitted better into the contours of the views which our party expresses. But it is very heartening and encouraging to see this come about, and I wish well to the two hon. members who moved and seconded the motion for the address. Indeed, I wish well to all the new members who have come to this house. I understand very well that having reached a peak of exultation shortly after the election they have come to Ottawa and found that there are various levels of members of parliament, at least outside this chamber.

Let them always remember that this house is the repository of all the powers of the people of Canada, that it is a court of last resort. It may well seem to many of us and to many of those outside this chamber that much of this power has been given away and now resides in the hands of government agencies and of various administrative boards and tribunals which have been set up. If this is the case it is only because we saw fit—in many cases unwisely, in my opinion—to abdicate our responsibility and invest power in agencies rather than in this parliament. If we come to a situation which involves the use of power, remember well—and I say this particularly to the new members—that it flows from an action which was taken in this chamber by a House of Commons which preceded this one. With this in mind, guide well your actions, your thoughts, your votes and your speeches from now on.

My colleagues will be dealing with many other aspects of the speech from the throne. I wish particularly to direct my attention to the question of parliamentary reform and changes in procedure as outlined in the speech from the throne and as more particularly defined by the Prime Minister (Mr. Trudeau) yesterday when he addressed this chamber. Generally speaking, I have no quarrel with the philosophical position which he took yesterday. Such speeches are made very frequently. Read the pages of *Hansard*. Examine the history of other democratic countries. Philosophical dissertations of this nature are made and repeated from time to time; the pages of *Hansard* are filled with them. It is all very well to talk about creating a brave new world but what concerns me is the blueprint, the plans, the specifications, the construction in accordance with which we undertake this course. Here is where we come to the parting of the ways—not in every respect, but in some respects.

I heard the former prime minister make speeches in 1964 and 1965 which, though differently worded, embodied precisely the same attitude toward the manner in which this house should conduct its business and to the reforms required to make it competent to do so more effectively. Nothing came of this. So

while I listened with respect and in agreement with the right hon. gentleman to a considerable extent when he spoke yesterday on this subject, I must file a caveat and say that I remain to be convinced. I hope I am wrong. I trust I am wrong. I should like to think that when this parliament is through the government will have shown that its acts are as good as its words. But so far I am unconvinced.

I wish to make particular reference to two comments made by the right hon. gentleman. As reported on page 73, dealing with the discussions which have been going on the Prime Minister said:

> The discussions which have been proceeding on and off for the past fortnight, or even longer, among the representatives of the several parties in the house must not be permitted to continue indefinitely.

With this I am in perfect agreement, but I think there is an implication in that statement which needs to be corrected. There have been discussions, some of them directed to questions of far-reaching reform, which can well be discussed by house leaders but which cannot be resolved other than by this house itself and which, in my opinion, are best the subject of attention by a special committee. Reforms in the rules and procedures of this house are far too important to be left to the leaders in the house. They are and always will be the property of the members of the house. I wish to be very careful, because I must not disclose anything which took place, but I am justified in saying that it was only the day before parliament opened that concrete, specific proposals by the government with relation to the interim arrangements, the whole package of interim arrangements which would come into effect at the beginning and carry on through the first part of the session, were outlined. We have had discussions pro and con. I had advanced my views, the hon. member for Winnipeg North Centre (Mr. Knowles) had advanced his, and the representative of the Ralliement Creditiste had stated his position, but it was only the day before that the specific package was outlined.

I am not criticizing the government in this regard but I do say it is quite wrong for the impression to be created—I am not suggesting that the right hon. gentleman was insincere, or that he was attempting to create it—that discussions had been going on for two weeks involving specific proposals which had in any sense been agreed to prior to that date. As was my right as the representative of Her Majesty's loyal opposition, I had views in disagreement which I advanced. They were not acceptable and it was on this basis that the government finally made its proposal on Friday through the leader of the house. Let there be no doubt about that situation, Mr. Speaker.

The Prime Minister went on to say:

> Nor should they be permitted to lead, either by agreement or in the absence of it, to procedural changes which will upset the delicate and essential balance between government and opposition so necessary to the proper functioning of parliament.

• (12:10 p.m.)

Later there is a suggestion that the time has come when this matter should be brought to the floor of the house. I agree with that. I think there has to be a debate, hopefully not on all of the areas which can be covered but on an interim arrangement. We in this party, as I propose to indicate later, have never departed from the position that there must be an interim arrangement to cover the procedures of this house during the first part of this session. But implied in the Prime Minister's statement I see a threat that negotiations on this occasion must mean a reasonable time to accept or reject the government's propositions and, if they are not accepted, the matter will come back to the house and the government, with its majority, will have its way.

I assume that this will be the case. I am assuming that the characteristics of the Liberal party have not changed since the very well documented publication issued by the right hon. gentleman some five years ago when he had occasion to describe the Liberal party's attitude on their current issues as one of being quite content to accept the views laid down by those at the top. His words were very specific and very definite. No matter what the issue may be I am assuming that when the government determines to have its way it will have it. In my view this is not the way in which negotiations should be conducted. I am hopeful that, as has been indicated, meetings will continue for the purpose of arriving at an interim arrangement to cover the first part of this session, and that we can then hopefully go on to more drastic and more permanent changes. This has been our view. It has been my view. It has been the view of my leader as expressed in the election campaign and it is still our view. It was our view at the opening of this session.

The rules of parliament are important not only because they affect this house but

because they are part of the constitution of this land. In its broadest sense the constitution is an aggregate of the statutes, the conventions, the practices, precedents and rules under which parliament is conducted. In my view, as I have expressed it earlier, this is far too important a matter to be left to be discussed and decided at the esoteric level of a few people with a mechanical knowledge of the rules.

I think there should be a greater measure of publicity given to this subject. If a committee is established later I would like to think that the proceedings of that committee would be published. This is the practice in the United Kingdom. Let there be a general debate. Let there be a debate to some extent in the country, in the press and certainly in this house so that when we come to change our rules, when we come to modify and adapt our rules in such a way as to permit members of the house to carry forward the business of the country, the changes will be based on the fullest understanding and on the support which will come as the result of an open discussion.

Many of the problems which have been created are problems which arose because past parliaments were dilatory, but I say quite objectively, Mr. Speaker, that I do not think the government can escape most of the blame for the fact that today there is piled up a large amount or, as the Prime Minister said, a backlog of parliamentary work. In 1965 parliament, with at least half of its allotted span to go, was summarily dismissed after two and a half years by the then prime minister and an election called in order to help him obtain a parliamentary majority. Because of that election and the consequences which flowed from it there was a great build-up of estimates and legislative proposals. These matters still remained to be attended to. Precisely the same situation existed in April of this year.

The Prime Minister occupies a dual position. He is the head of a political party, and he is the Prime Minister and head of the government. At that time in April he had to make a choice. He had to choose whether or not as Prime Minister he should come back to the house, meet parliament, and attempt to put through with expedition and promptness many of the serious and important bills awaiting attention which had been on the order paper for some time, and as well deal with the estimates. He also had to come to a decision, as the leader of a political party, whether the opportunity was propitious for him to go to the country and secure a greater measure of support for his party. The decision he made was a political decision and, as such, for political purposes obviously a wise one. But I suggest it was not a wise decision so far as this parliament and the country were concerned, and today we see the aftermath, we see the results.

Some question has been raised as to what has happened to this parliament, what has happened to this house, and why we have not been able to proceed with changes in the rules. I go back to the period with which I am intimately familiar starting in 1964. The record is a sorry, dismal one. Part of the blame may fall upon the house but I submit the greater part must fall on the government.

In 1963 a committee was established. That committee simply met two or three times and said, "There is a problem; we will meet it by setting up a committee next year." In 1964 another committee was set up, a very good committee on which I had the honour to serve with you, Mr. Speaker. It made some very solid, very reasonable, very forward-looking, fundamental proposals. Those proposals followed many months of discussion, many months of research, many months of meetings, but the sad fate of many of those proposed far-reaching reforms was that they were washed out. The government rejected them.

Then just before the end of that session the government brought in its own measures, which in many instances were inadequate but which to a great extent provided the foundation of the provisional rules under which we operated during the last two years. However, a promise was made that another committee would be set up the following year. Such a committee was set up which met twice and dissolved.

A further committee was set up during the last session of the previous parliament. But it was set up late. It was only established following continuous pressure from this side of the house. But even in the limited time available to it—I think I am justified in saying this—it made some first rate, very substantial proposals not only with regard to far-reaching reforms of a fundamental nature but also with regard to immediate reforms that could be implemented. Several of its proposals were brought in many weeks before the house was finally dissolved but with the holding of the

election they went down the drain. Now we find ourselves in our present position.

Because I anticipated this situation, as did other hon. members on this side of the house, during the course of the election campaign I issued a statement on behalf of our party in which I indicated what our approach would be, an approach to which we still hold. I suggested that because of the summary dissolution the proposals then before the house for parliamentary reform had been neatly scuttled and that the harsh atmosphere of an election which spills over into the immediate post-election session of parliament could easily cause delay in getting back to where we were on April 23. I pointed out that many of the rules under which the House of Commons had been operating in the last few years had been provisional, that some did represent an improvement and others had been found by experience to be unsatisfactory. That is still our position today.

• (12:20 p.m.)

The majority of the provisional rules have the approval of members of this party. Others are useless, have been found to be unsatisfactory or have not achieved the purposes for which they were intended. I also point out that we were prepared to consider committees constituted for the duration of a parliament. In this way there would be continuity and the opportunity for members to become conversant with particular subjects. They must also know that the representations and recommendations they made would in fact be presented to the house and would not be held up merely because they were embarrassing to the government. Committees should be reduced in number and the membership lowered. There should be a committee on delegated authority.

I do not have too much time but I must stop here for a moment to emphasize this tremendously important issue. Most of the regulations and most of the authorities which affect the ordinary person in Canada, together with the pressure of large government corporations or crown companies, have come about as a result of authority which this parliament has delegated to others to exercise on its behalf. We live in one of the very few democratic countries that have taken no steps to provide an opportunity for the ordinary man and woman, through the medium of a committee such as I have proposed, to ventilate and bring fourth his argument in respect of any grievance he may have which has arisen not because of an act of parliament but because of something done under authority given to others to act under an act of parliament. This has a grave effect on our democratic society. I will not willingly, so far as I personally am concerned, pass over the opportunity for parliamentary reform without something being done about this.

Four years ago I spoke in this house to Right Hon. Lester Pearson, then prime minister. He agreed with me and quoted to me the terms of Lord Hewart's book, "The New Despotism." He said that the government was looking into this problem and would establish some procedure such as a parliamentary ombudsman. He said that they would deal with it in this way. That was four years ago. Nothing has yet been done. I suggest that this opportunity should not be allowed to pass without securing from the government an undertaking to set up a committee. It may well be that the government has other ideas as well, but surely a committee could be set up for a limited period which would have authority not to look into the policy behind the exercise of delegated authority but to look into cases of abuse under delegated authority where it has been used far beyond the extent that was contemplated. This is something which must be rectified at this time.

I see that the time is rapidly passing. I intend to conclude in a few minutes. It may well be that the house will see fit, before Your Honour intervenes, to provide a limited time, which I shall not abuse, for me to conclude the remarks I am making.

Mr. Speaker: Has the hon. member leave to continue his remarks?

Some hon. Members: Agreed.

Mr. Baldwin: I also feel that on an interim basis there must be given to members of the house generally as members, not to the government alone, the right to move that measures be sent to committee before second reading without killing the bill. A feeling is held in many parts of Canada that governments do nothing but govern and that members of parliament are here only to say yes or no to government measures. I disagree with this very violently.

Surely no other body of men and women is better qualified to act as a pipe line or liaison between the people of Canada and the government. Surely the people should have the

opportunity, through the medium of committees, to bring their views before this house and the government with regard to spending proposals being advanced by the government. Governments must initiate and when the time comes take the final responsibility. I do not for one moment differ with that point of view, but as a result of my experience here, not only as a member of this house but outside, I say that there is a great opportunity for the legislative proposals which are advanced to be moulded, modified and adapted to meet the human needs of the people of Canada and not necessarily the views of those who live in ivory towers in Ottawa. I have seen this happen.

One might look over the list of statutes which have been passed in the last four years. Much more than 50 per cent of these are amending statutes. I admit that it is not possible for a government, even a Conservative government, to anticipate fully all the contingencies and vicissitudes in the conduct of affairs of mankind, but I suggest that many statutes have been ill conceived, badly prepared and badly completed in that they have not been properly, adequately and intimately discussed in this house before leaving here in the finished form. Consequently they are brought back for amendment year after year after year.

I speak, I hope, not only for the members of this party but for all private members when I say that we must be far more intimately concerned with the legislative process and that the government must be prepared to accept this up to a point. I repeat what I said before, that the time must come when a government will say that it cannot accept a proposal because of the financial considerations involved. I am satisfied, however, as much as I have ever been about anything, that there is room and opportunity for the private members of this house to be able to make a much greater contribution to the affairs of government and the legislative spending proposals which affect so deeply and intimately the lives and fortunes of 20 million Canadians.

I conclude by saying that I hope, as I have every reason to, that we will continue our discussions in order to arrive at an interim arrangement. This party has always indicated its willingness to make concessions and has made them. I hope the government will take the same position. I hope and expect that we will include many of the provisional rules, as we have already indicated. Many of the former provisional rules will have to be carried forward. I hope some of the suggestions I have made will be considered by the government as part of the interim arrangement.

• (12:30 p.m.)

I hope also that a select committee will in fact be set up and that it will be directed by mandatory provision to report back to this house by a given date so that the interim arrangement will disappear. The interim arrangement should be for a specific period. There will then be pressure on the government, the opposition and all hon. members to come forward with permanent changes at least by that time. Time is not on our side. I should like to conclude by quoting what I think is a very important comment by a very distinguished British philosopher who also served his apprenticeship in parliament, in the House of Lords. I refer to Lord C. P. Snow who said:

> I can't help thinking of the Venetian republic in their last half century. Like us, they had once been fabulously lucky. They had become rich, as we did, by accident. They had acquired immense political skill, just as we have. A good many of them were tough-minded, realistic, patriotic men. They knew, just as clearly as we know, that the current of history had begun to flow against them. Many of them gave their minds to working out ways to keep going. It would have meant breaking the pattern into which they had crystallized. They were fond of the pattern, just as we are fond of ours. They never found the will to break it.

Mr. Speaker we in this house must find a way to break the pattern into which we have fallen.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, my first words must be words of congratulation to our colleague the hon. member for Stormont-Dundas (Mr. Lamoureux) for having, perhaps as much by his own personal qualities as by the mood of the house generally, made it possible for us to move toward a position where we in this Canadian House of Commons will have a Speaker in the chair with that degree of independence which has been enjoyed in the mother of parliaments for many years. I am sure we all share the feeling that this is desirable from the standpoint of our parliament. I should like to congratulate the hon. member on his own personal achievement and on his representation which has permitted movement forward on this particular question.

May I also take this opportunity to congratulate the hon. member for Peterborough (Mr. Faulkner) and the hon. member for

Bonaventure (Mr. Béchard) on their appointment to positions of responsibility. The suggestion has been made—perhaps it is no more than that—that in some way their appointments to these positions have been something less than this house might wish. I disagree with that suggestion. I have entire confidence in the fairness and open-mindedness of these two hon. gentlemen. I am personally satisfied that they will discharge their responsibilities in these honourable positions in a manner just as exemplary as that of the hon. member for Stormont-Dundas when he occupied those positions.

Let me also express my congratulations to the hon. member for Madawaska-Victoria (Mr. Corbin) and the hon. member for Kamloops-Cariboo (Mr. Marchand) for their excellent speeches in moving and seconding the address in reply to the speech from the throne. Perhaps I should pay a particular compliment to the hon. member for Madawaska-Victoria. Over the years in this house we have seen many examples of the perfect bilingualism toward which all Canadians should aspire but which so few attain. We witnessed during the speech by the hon. member for Madawaska-Victoria a perfect example of that ideal. His speech was one of the great oratorical performances I have witnessed in this house.

At this time I rise to continue the thread of debate introduced by the hon. member for Peace River (Mr. Baldwin) in relation to parliamentary reform. I intend to refer in greater detail to those discussions in which he took part along with the hon. member for Winnipeg North Centre (Mr. Knowles) and the house leader for the Ralliement Créditiste. As a result of proposals I put before hon. gentlemen in August on behalf of the government we have had a series of discussions in recent weeks.

One of the first things that was said to me when I came to this house was that the hon. member for Peace River was indeed an able lawyer. He has been an ornament to that profession in Alberta, a bencher of the law society and has demonstrated a very considerable forensic skill. It has been said that the real measure of a good lawyer is not that he make the best of a very good case, but rather his ability to make the best of a very bad case. I think there is a general feeling in the house today that the hon. member was at his very best this morning during the argument he put forward to convince us that he and his colleagues were the hares rather than the tortoises of parliamentary reform.

I did not wish to commence a debate on the question of the discussions that have taken place among us in recent days, but it does seem to me only fair, since the hon. member made reference to the position I put forward on behalf of the government, that the house should have the opportunity of hearing this position from the government's point of view. Hon. members may then compare it with the viewpoint partially put forward by the hon. member this morning.

As I have said already, on behalf of the government I elaborated certain proposals for the revision of the standing orders of the house. It was intended that these proposals should be adopted during this session of parliament in order that we might attain a better dispatch of public business and a better examination of the public business which, after all, is the purpose for which the electors of Canada sent us here. These proposals were in very large measure founded upon the recommendations of the special committee on procedure in the last session. The hon. member for Peace River as well as the hon. member for Winnipeg North Centre participated in the work of that committee.

As a result a complete blueprint, although perhaps not an entirely comprehensive one, for the reform of procedures was devised. These proposals were put forward in August and, as the hon. member has indicated, there were a number of discussions during which he and other house leaders talked with me as to the general schema of the proposed rules reform.

The hon. member suggested that only the day before the house met did we give any indication as to how we thought the business of this particular session and more particularly the first half between now and Christmas should be handled. I think that he, upon reflection, will agree that this suggestion is scarcely fair. During the early stages of these discussions we discussed the problem that would occur if we wanted to deal with the 1968-69 estimates under the provisional rules. If we had proceeded under the provisional rules there would be very little time left to deal with the legislative programs which I am sure hon. members would like to see brought before the house.

Perhaps it might be useful at this time to indicate in arithmetical terms what exactly is involved in this question of dealing with the

estimates even under the relatively advanced provisions of the provisional rules. There is a period of approximately 70 days between the commencement of this session and some judicious date in December shortly before Christmas when the house might adjourn. Assuming all the time available is used, approximately ten days will be devoted to the present order of business, that is to say, the proceedings leading up to and including the debate on the address in reply to the speech from the throne. As the Minister of Finance (Mr. Benson) said this morning, the government intends to introduce a general budget. Under the rules a further six-day period could be taken to debate that budget. If the provisional rules had been accepted the house would also have had the maximum of 38 days to deal with the estimates for the 1968-69 fiscal year. The experience of the house is that the maximum becomes also the minimum. This would have meant that out of approximately 70 days between the opening of parliament and the Christmas recess approximately 54 days would have been used for these debates without any reference to legislative programs.

It seems clear to me, and it should be clear to all hon. members, that some interim arrangement is desirable in respect of the 1968-69 estimates and, indeed, that it is desirable to adopt some interim arrangement in respect of those rules which have been adopted in the last three or four years on a provisional basis for dealing with the other business of the house. The proposal which the government put forward really dealt with four essential elements in respect of this question. If the hon. member wants to tax me for not having finally set this down in writing until the day before the house met, he can do so, but I do not think he can justly tax me for not having made the government's views known in the discussions which took place.

• (12:40 p.m.)

Mr. Baldwin: On a point of order, Mr. Speaker, if the hon. member is suggesting that I am charging him with not setting them down before, that is quite incorrect and I did not intend to convey that impression. I intended to convey that the government advanced a number of proposals, we advanced some counter-proposals, and it was only the day before the house met that the government's position was made clear as to where it stood on the entire package.

[Mr. Macdonald (Rosedale).]

Mr. Macdonald (Rosedale): Mr. Speaker, I appreciate the intervention of the hon. member. I think it will be clear that, far from there being a unilateral diktat on the part of the government that rules, either on an interim or long term basis, should be applied, there were genuine consultations, discussions and exchanges back and forth with hon. members. We arrived at the situation earlier this week where it was found not possible to restore the rules on a provisional basis.

I have made reference to the provisional rules and to the fact that the government proposed that for the period of this session the provisional rules might be restored so that discussions on this question could proceed from a terra cognita, the basis upon which we were proceeding prior to April 23, so we could take advantage of the experience of the last four years. The hon. member referred to the fact that it is his party's wish that a time limit be provided with respect to the provisional rules. I make it clear in public, as I have made it clear to him in private, that the government is agreeable to this, namely, that if the provisional rules were to be reapplied they would be subject to a specific time limit with the result that there would be a clock ticking on all of us to make sure we got down to business and dealt with the provisional rules. This is the proposal, basically, with regard to the provisional rules, since we would hope to arrive at a final conclusion soon.

The hon. member also mentioned that his party would like to arrive at an early agreement this session on reform of the rules. It would seem sounder to continue with the provisional rules for a period of several months, rules which are known, rather than try to arrive at elaborate recommendations on a provisional basis. Other hon. members have suggested there are provisional rules which they do not like. The net effect is that there would have been an initial discussion, perhaps a lengthy one, on rules which would be in effect for only a very short period of time. It seems to me still, representing the government, a most reasonable course of action that we should continue on the basis of those rules under which we would have been operating still if, to the regret of hon. members opposite, the house had not dissolved last April. I have indicated that I would be entirely agreeable to putting a time limit on those rules, and I hope on that basis we might find that it is acceptable to them.

There are other matters to which I shall refer in this respect. There is the question of dealing on an interim basis with the business of the house, that is, with the estimates for the 1968-69 fiscal year. Under the provisional rules the time available this autumn for dealing with these estimates would have been a maximum of 38 days. There was a proposal—and I think it is fair to say it was not a proposal which I originated—that we might make an immediate reference of all those estimates to the standing committees of the house.

I will say more later about the framework of standing committees of the house. This suggestion was made so that the departmental spending estimates could be examined in detail in those committees and that the total time to be taken both for motions for supply and for dealing with the reports back from committees might be agreed at a maximum of 19 days. I gather that proposal is not acceptable but, given the arithmetic to which I referred earlier, I suggest this might be the most reasonable way of dealing with the time we have available between now and Christmas. I say "we" and I point out that not we as a government, not we as members of the House of Commons, but the people of Canada would expect not only expenditures to be examined but legislation to be proceeded with.

Mr. Baldwin: Mr. Speaker, might I ask the minister a question? I do not wish to interrupt the even trend of his thoughts, but has the minister given any thought to the very desirable situation which would have arisen had the government been persuaded to have the house meet earlier, when these discussions could have been initiated at an earlier stage and we would have had more time to consider them?

Mr. Macdonald (Rosedale): One of the difficulties I had, of course, in initiating early discussions on this question was the relatively late appointment of the hon. gentleman as the opposition house leader.

Some hon. Members: Oh, oh.

Mr. Macdonald (Rosedale): I can understand the problem because the Leader of the Opposition (Mr. Stanfield) was, after all, hoping that the former member for Ontario might be returned to this house.

Mr. Lambert: That is nonsense.

Mr. Macdonald (Rosedale): May I suggest that this discussion has not suffered at all from the timetable. I think the hon. member would agree that there has been plenty of opportunity to discuss these proposals. Had they been proposed in July or August, the fact is that there are certain attitudes, perhaps not representative of the hon. member, but representative of members around and behind him, with respect to parliamentary reform with regard to which there may be genuine disagreement.

The third of the proposals put forward was with respect to the committees system itself. As hon. members know, we have at the present time reverted to an antique committees system under the 1962 rules, one which speaks to us from the 19th century. Even the proposals incorporated in the provisional rules have in some respects been found not to be acceptable. It had been the government's intention, and it still is, to find an area which would receive general support. The introduction of changes in the committees system was to reflect clearly the division of responsibility among departments.

The fourth of the propositions we put forward to the house leaders was with respect to the constitution of a special committee on procedure to consider the government's proposals in areas which we felt were the key areas on this question, which committee was to report back to the House of Commons by December 1 recommending not merely certain general outlines with regard to the rules, as the special committee did last session, but also specific changes to the standing orders. That seemed to the government to be a reasonable way to proceed.

We are, as I have said, entirely willing to accept the suggestion made by hon. gentlemen opposite that we should put a specific time limit on this arrangement. That is completely in accordance with the government's wish to proceed with this question with the greatest dispatch possible. But I suggest to the hon. gentleman and his colleagues that a far more rational way of handling the business between now and Christmas would be in accordance with the proposals we have put forward both to deal with supply and to act under the proposals in the provisional rules.

There was a reference in the remarks of the hon. gentleman to the importance of a committee on delegated legislation. He and I have discussed this question. I share his concern about the over-all question of more effective control of our executive and

administrative processes. This concern is shared by myself and the Prime Minister and was the reason for a reference in the Prime Minister's speech to the specific responsibility of considering and recommending to the government certain procedures which might be followed with regard to the effective review, both legislative and legal, of administrative action.

• (12:50 p.m.)

There are a great many possibilities here, such as the British institution of a committee on delegated legislation, setting up an ombudsman system, and the French institution of *conseil d'état*. I am not suggesting that any one of them should be adopted without consideration and applied in the Canadian format, but I am suggesting the time has come—and here the hon. member and I are entirely in agreement—to provide a better and more effective scrutiny of administrative action, perhaps through a committee on delegated legislation which would look at the whole picture gallery of administrative action or in particular cases to consider the individual picture through the institution of an ombudsman.

Mr. Baldwin: May I ask the minister a question? Is the government not one of the principal parties in dealing with this particular problem, and is this not an illustration of a litigant in litigation setting out the rules of the game? Would not the minister honestly feel that a committee on delegated legislation would, among other things, be examining a better and more detailed way to come to grips with the problem? Does he not think that members of parliament as one of the parties involved should be able to make some proposals of their own?

Mr. Macdonald (Rosedale): I would agree that this is perhaps a more definite indication of the hon. member's notion of the committee on delegated legislation, and it is a useful suggestion, but I took his term to refer to something similar to the British committee which, as the hon. member knows, does not have the responsibility of suggesting further instruments for administrative review.

The government's general principles with respect to the revision of the rules represent an attempt to deal with a problem which is not unique to this legislature but has been dealt with by all parliamentary legislatures in the commonwealth. Indeed, solutions have been found to the problem both in the United Kingdom and in sister commonwealth countries long before arriving at one here. It is the problem that in this particular institution, which was founded so closely on the evolution of British party politics in the 18th century, we have a set of procedures which never contemplated both the expansion and the ubiquity of the government in society and the increasing complexity of its problems. I am sure that the hon. gentlemen back in the 18th century would have been amazed to see the intervention of the government in many aspects of human endeavour which were entirely foreign to them then. They would have been equally amazed, to illustrate the second point, at the complexity of questions such as those which parliament will be asked to consider, for example, that of a synchronous communication satellite.

What is involved here is the responsibility of putting through a very large volume of legislation and of doing it in such a way that it can receive the full scrutiny of the elected representatives of the people. It seems clear to the government that the only way to meet these two objectives is by an expanded use of the system of functional standing committees. It would be the government's view—and I have already indicated it in the interim arrangements which we proposed—that the spending estimates of the various departments should be referred, either automatically or, if desired, after debate, to the functional standing committees. In these committees individual members would have the opportunity to confront the minister and leading functionaries of the department and inquire not only into the detailed items of the estimates but also into the broader area of local and private but none-the-less important questions which arise in connection with constituency problems.

It is also proposed—and this was the pattern set forward in the report of the special committee on procedure tabled in March of this year—that in view of the fact that there would not be consideration of estimates in committee of the whole, the number of days to be devoted in the house to purely opposition matters would be stipulated and, as proposed by the special committee on procedure of which the hon. member was a member, that these questions would be dealt with systematically throughout the parliamentary year. In the same way, it is the government's view that just as the detailed examination of the spending estimates requires time and

effort on the part of individual members, so the detailed examination of legislation which commonly occurs under our procedure in committee of the whole stage should be dealt with in the functional standing committees of the house so that these committees, which we would hope would build up a certain expertise on these matters over a period of time, could, together with the officials responsible and the minister, propose and deal with amendments and at the same time find opportunities to seek outside opinions by way of evidence from other persons interested in the legislation.

One of the examples cited to me of some success in this role was the manner in which the house dealt in the last session with one of the most complicated and far-reaching provisions in our law, the National Transportation Act. It would be hoped that over a period of time the rule could be established that this should become the general procedure, that is, that the committee of the whole stage would take place in the functional standing committees.

However, it is appreciated that the house as a whole must have the opportunity to consider the questions raised in the standing committee and to cast a final decision on whether or not the recommendations should become the law. Therefore it is proposed that we should not go through the committee of the whole stage once again in the house but that there be a full parliamentary debate on the report of the standing committee, either at the report stage or perhaps on third reading. It is hoped that in time it will be established that this would be the time when the house would really commit itself on whether or not the bill should go forward. It has struck me as an anomaly, which I believe has come about as a result of precedents, that the house should make what is virtually a final declaration with regard to the principle of a piece of legislation at the second reading stage. It seems to me far more logical that this fulcrum point should occur later.

Mr. Speaker, the hon. member for Peace River and I have had an opportunity to have a full miniature debate on this question, and I wonder whether I might be permitted a few more minutes when we resume to complete my remarks, bearing in mind our discussion. If so, may I call it one o'clock?

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: Pursuant to standing order 6(2) I do now leave the chair until 2.30 p.m.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Macdonald (Rosedale): Mr. Speaker, when we rose at one o'clock I had given some indication of the government's intentions with respect to reform of the rules and procedures of parliament. I will give a brief precis of what I had been saying up until that time. I indicated it would be our proposal that those aspects of parliamentary business which require the greatest, detailed scrutiny, and therefore are most time-consuming, would be transferred to the functional standing committees of this house under which we have operated for some years, and perhaps as they may be amended during the current session. In particular we would refer the detailed studies of the estimates and the clause by clause consideration of most legislation to the standing committees so that they could be considered fully in the committees.

Mr. Diefenbaker: Would that be before or after second reading?

Mr. Macdonald (Rosedale): In the case of the ordinary legislative process it would take the place of the committee of the whole, that of course would be after second reading.

In so far as the estimates are concerned the intention would be, after having tabled the estimates, to refer the estimates immediately to the functional standing committees. In making these remarks I should also like to make it clear, as the member for Peace River (Mr. Baldwin) indicated this morning by his question whether the system would be continued whereby broader questions of public policy could still be considered in committee. I am sure the hon. member had in mind the successful consideration by the joint committee of the Senate and House of Commons of the question of divorce and other difficult public questions which have been the subject of consideration from time to time. I only affirm it would be the government's intention to have such matters studied. Indeed, it would be the government's hope that, for example, the government's forthcoming white paper on antidumping legislation would be considered by the finance committee.

One other change we would propose would be to streamline the procedures in ways and means. A famous English student of the parliamentary process referred to this as being a prime example of parliamentary mumbo-jumboism or a prime example of what, in some circles, is considered the importance of being ancient.

Mr. Diefenbaker: Will the minister allow a question before he continues? Suppose a particular matter which is controversial is submitted to a committee. When this committee makes a recommendation, will the government accept the recommendation made? I ask that question in view of the fact that, as I recall, in March or April of 1968 the committee considering the abortion amendment said there was not sufficient evidence to support the claims of the proponents of that legislation. Would the government accept the recommendation of the committee in this regard, and would they start with the recommendation concerning abortion made at the last session?

Mr. Macdonald (Rosedale): It seems to me that if a government did refer a subject to a committee and then accepted their recommendation without any further judgment on the part of the government, that government would be really giving up the governing role. The government would have to accept the political consequences of having failed to take the committee's recommendation.

Further questions should be considered by the special committee on procedure, and we think it would be desirable to make arrangements covering the question period, statements on motions and certain emergency procedures. I made some reference this morning to interim arrangements which the hon. member for Peace River, the hon. member for Winnipeg North Centre, the hon. member for Shefford (Mr. Rondeau) have been discussing with me. Perhaps I could refer again to a proposal which I believe is acceptable in some quarters of the house, and which may be acceptable to the Leader of the Opposition (Mr. Stanfield) now that he is here. I refer to the suggestion that the provisional rules which were in existence immediately prior to dissolution on April 23 should be readopted for a limited period of time, at least until the commencement of the session in January, 1969.

At that time such new rules as may have been developed in the committee on procedure could then become applicable. After a debate to be held in the house, the special committee on procedure should be set up with responsibility for reporting back to the house detailed recommendations for changes in the standing orders not later than December 1, 1968. The 1968-69 estimates should also be immediately referred to the standing committees. There should be a stipulated time in committee of supply in the house, both for supply motions and for reporting back from committees, and that period should be limited to a total of 19 days. I repeat that this suggestion did not originate with me as government house leader.

Finally, shortly after this debate has been completed we should make permanent changes in the committee structure of the house so that those committees may more completely resemble the structure of government organization as it now exists. I hope it may be possible after hon. members have been able to consider that proposal, and assuming that my hon. friends in the New Democratic party and the Ralliement Créditiste also find it acceptable, that we might find that this particular recommendation could be adopted and we could get on with those changes in parliamentary procedures which we all desire.

Mr. Knowles (Winnipeg North Centre): Will the minister permit a question? I wonder whether he would also include in his suggestions about what might be done the possibility that any revision of the committee structure might be agreed upon before we refer the estimates to those committees, so that we will not be faced with the necessity of making changes after the committees have started their work?

Mr. Macdonald (Rosedale): I apologize for not having made that clear. It would be my intention that the committee structure would be altered and the reference of the estimates would be made afterwards.

I thank the house for its kindness in permitting me an extension of time. Perhaps in conclusion I might refer to a statement by a distinguished British student of political science, the government house leader in the United Kingdom House of Commons. He made this statement in that chamber in December, 1966, on a relatively identical occasion, that is, the introduction of new rules in the house. At that time Mr. Crossman said:

I believe that there are three questions by which the working of the House of Commons can be tested, both today and for future change: First,

is the legislative process designed to enable policies to be translated into law at the speed required by the tempo of modern industrial change? Secondly, can our timetable, so long as the finance bill dominates our procedures, leave room for debating the great issues and especially for the topical debates on matters of current controversy which provide the main political education of a democracy? Thirdly, while accepting that legislation and administration must be firmly in the hands of the government, does the House of Commons provide a continuous and detailed check on the work of the executive and an effective defence of the individual against bureaucratic injustice and incompetence? It is by these three tests, I suggest, that we should try out both our existing procedures and the proposals for modifying them put forward by the various schools of parliamentary reform.

I suggest that these three tests may be applied to our present procedures and they will be found wanting. I am suggesting it would be useful to apply the same criteria to the new proposals, and I hope the house will have an early opportunity to do so in connection with the new procedures.

• (2:40 p.m.)

Mr. Jack H. Horner (Crowfoot): Mr. Speaker, without hesitation may I congratulate you on your elevation to the position you now hold. I am sure that in the future as in the past you will grace your office with that wit and wisdom to which we have become accustomed. May I also congratulate the hon. member for Peterborough (Mr. Faulkner) on being appointed Deputy Speaker. I am sure that the Deputy Speaker will spend many hours learning to perform the duties of his office with wisdom.

I congratulate the mover of the address in reply to the throne speech, the hon. member for Madawaska-Victoria (Mr. Corbin). We all hope to hear more from him in this house on controversial matters. We hope that at all times he will give us frank appraisals of problems, and by "frank appraisals" I mean not only of what is good for his party but what is good for the country. I congratulate especially the seconder of the motion, the hon. member for Kamloops-Cariboo (Mr. Marchand). If I may put it this way, his coming to this house is a first. His responsibilities and obligations are great, and I hope he will take part in many of the debates in this house.

Before launching into my chosen subject I wish to congratulate the Minister of Agriculture (Mr. Olson). He made the right choice when he jumped the fence. Apparently he landed where he wanted to. I know that his knowledge of agriculture will stand him in good stead. We on this side of the house hope to assist him from time to time in trying to find solutions to the challenges facing agriculture.

I am particularly glad that the house has at last been reconvened. The hon. member for Rosedale (Mr. Macdonald) may complain that he has only 72 days in which to get the business done but we in western Canada would have been happy if the house had met at least one month earlier.

Some hon. Members: Hear, hear.

Mr. Horner: If the house had met earlier perhaps the terminal workers' strike at the Lakehead would have been settled one month earlier and the wheat situation in western Canada improved correspondingly. The striking workers had to meet one deadline only. They had to settle their strike before parliament was reconvened. The strike was settled at great cost. I was surprised to hear the Minister of Agriculture openly blame the elevator companies. Whether or not he likes to admit it, most of the elevator companies belong to the farmers and it is those farmers who will have to pay the additional costs incurred in settling the strike. Those costs may well be borne by some farmers who can afford them but statistics show that most farmers cannot afford them.

The Minister of Labour (Mr. Mackasey) was proud of his intervention in settling the strike. He suggested that the elevator companies had not made a serious proposal and that the onus was on them to settle the strike. It is interesting to note that the terminal workers asked for an increase of $1.06 and received $1.05 over a three year period instead of two years. The elevator companies cannot be blamed. The evidence shows that they went more than half way to meet the demands of the terminal workers.

The cry in our society is for efficiency. As recorded on page 8 of *Hansard* the speech from the throne says that the government "intends to investigate immediately a number of methods for promoting greater efficiency in the production and marketing of grains." The speech then mentions a number of agricultural acts which are to be amended. When one looks at the legislation on the order paper one cannot help but come to the conclusion that intended legislation will bring about an increase in interest rates. One wonders, is the main reason for including such legislation on the order paper the increase in interest rates

as they apply to agriculture? Increased interest rates may force small farmers off the land that much more quickly. That may be one way to promote agricultural efficiency. If the government has that in mind it is a surprising attitude for any responsible government to take.

The onus is on the government to create a just society for all our citizens and to provide equal opportunities for all segments of society including farmers, be they big or small, well off or otherwise. The farmer will have to fight for survival even in the just society of which the Prime Minister talks in such glowing terms. Look at the plight of the western farmer and see whether that is not so.

In the present debate the Prime Minister said that the international wheat agreement has not solved the problems that it was thought it would solve. He took a different position during the election campaign when he said, "The United States has now signed the international wheat agreement and this will prevent any falling away of prices." In the throne speech debate he said, "There is a danger that the international wheat agreement will not do what we thought it would."

Wheat negotiators are meeting in Canberra, Australia, to try to thrash out difficulties in grading. Western Canada is in a state of flux. The farmers are having difficulty harvesting their crop. In some wet areas grain has sprouted from two to three inches. We shall have a poor and difficult harvest, and on top of that we are faced with a government that is indecisive and hesitates to act. Because of this a great deal of pessimism exists in western Canada with regard to agriculture.

Legislation outlined in the throne speech, as I see it, represents an effort to increase agricultural interest rates. About 80 per cent of the money which was lent through the Fram Credit Corporation went out at 5 per cent. The objective of the new legislation seems to be to raise that rate.

Mr. Woolliams: That is what they call flexibility.

Mr. Horner: For example, look at the legislation on the order paper to do with the Farm Improvement Loans Act. The government allowed the provisions which permitted loans to be made at 5 per cent to lapse. The result has been that farm machinery sales this summer in the province of Saskatchewan have been down about 30 per cent. Let us look at how farmers borrowed money in 1967. Between July 1 and September 30, 1967, 21,000 farm loans were made to farmers for a total of $55 million. During the same period this year the necessary legislation was not in effect. Is the government really concerned about farmers?

It is interesting to note that the report of the Economic Council of Canada says that our agricultural efficiency or productivity is 20 years behind that of the United States. Why should we be 20 years behind the United States? One of the reasons for this difference is the greater use of capital in the United States. What has the present government done during the last three months? It has held back $55 million, practically speaking, under the farm inprovement loans legislation. How can we in Canada catch up when we are handicapped by this kind of negative response from a government which is supposed to be interested in helping the people? We must do better than this, Mr. Speaker, if we are to catch up.

• (2:50 p.m.)

Lest there be any mistake about what is contained in the report of the Economic Council of Canada on agriculture regarding the efficiency of Canadian farmers, let me point out that the report states on page 98:

> Canadian agriculture has achieved a rate of growth of labour productivity well above that recorded in any other sectors of the economy.

In other words, farmers have not shown inefficiency; their efficiency has improved more rapidly than in any other segment of the economy. So why does the Prime Minister say that the inefficient farmer has to go, that there is no room for him in the just society which is envisaged? There is no such thing as an inefficient farmer, practically speaking. Here are the facts as they appear in the d.b.s. figures: agricultural efficiency measured in terms of manpower output is rated at 276; in general manufacturing it is 176 and in the non-agricultural commercial sector, 152. These figures give us some idea of efficiency in the agricultural industry compared with other sectors. According to the Dominion Bureau of Statistics it has led the way. Nevertheless, the Prime Minister says in the speech from the throne that new means must be found to ensure greater efficiency in agriculture and that farmers who do not respond must go. It is the duty of the government to create a climate enabling all people to reach a standard of living comparable with that enjoyed by the rest of Canada. This is not the case when it comes to agriculture today. Here

is what the economic council had to say as recorded on page 82:

> However, average farm incomes have remained significantly lower than average non-farm incomes.

So while our efficiency has increased to an extent far greater than that of any other segment of the economy, farm income has not increased comparably.

Like it or not, the government is the prime marketer of our western wheat and the prime negotiator of tariffs and trade which affect the sale of our commodities. The government has failed to hold farm income at a level in any way comparable with the level which is desirable. The onus is on the government to make room for the farmer in the just society. The present society is practically crowding the farmer out of business.

Lest there should be concern about the situation in which the consumer might find himself, let us see what the d.b.s. has to say in this regard. A year ago an attempt was made in some of the consumer representations to place the blame for high prices at the door of the farmer. In 1949 a family spent 24 per cent of its income on food. In 1965 the average family spent 20.3 per cent of its income on food.

Meat is always the goat, it seems to me, in the question of food costs. Let us see what part of the food dollar is spent on meat. According to these statistics, in 1949 22.4 per cent of the food dollar was spent on meat. In 1965, 21.7 per cent was spent on meat. So we farmers are proving that we are able to produce commodities in exchange for which the consumer has to work fewer hours every year. Our efficiency is not surpassed by any other sector of the Canadian economy.

It is true the council suggests we are behind the United States. This is an interesting point. Why are we behind? We are behind the United States because, basically, we have failed to take advantage of three things. We have failed to make improved and greater use of capital, we have failed to make improved and greater use of advances in livestock technology and we have failed to make improved and greater use of technological advances affecting field crops in recent years.

What have we done to improve the livestock industry? We have turned Canada into a stopping-off place for Charolais cattle. Whatever may be said about this breed I believe it has a part to play in the improvement of our livestock industry. But by making Canada merely a stopping place we have enabled it to contribute to the efficiency of the industry in the United States.

It is true a ruling has recently been made under which these cattle are supposed to remain in Canada for at least three years, but this rule is not being enforced to any extent. Favourable responses to applications—2,200 last year and 1,700 the year before—were given and permits doled out to the very people who send these cattle to the United States. The whole question of the importation of Charolais cattle and the way in which permits are dealt with should be looked into closely. I suggest to the Minister of Agriculture that in order to clean his slate of the old brush marks made by previous ministers he should set up the agricultural committee immediately and refer the question of Charolais cattle permits to that committee for study with a view to setting up a new system which would aid the Canadian livestock industry by allowing those cattle to make the greatest possible contribution to that industry and enabling us to take advantage of new advances in technology.

What does the economic council say with regard to this point? At page 86 we find the following:

> Inputs related to livestock deals measure purchases of livestock, breeding stock on farm, and feed. Evidently, U.S. farmers have increased inputs in this area much more rapidly than Canadian farmers and to the extent that these purchases have improved the quality of feed and livestock, Canadian farmers have not kept pace with U.S. farmers.

This is one of the reasons for our failure to keep pace. Clearly, the best possible provision is not being made for the contribution which Charolais cattle could make to the improvement of our livestock industry.

What else could we do? We could perhaps make better use of discoveries in the field of hormones. In several parts of the United States experiments are being made in the use of hormones. Some ranchers are averaging 130 to 140 calves out of 100 cows instead of 70 or 90, following a greater use of hormones. Artificial insemination must be developed more in the years ahead so that by the choice of semen a rancher can raise nothing but steers instead of heifers. This would bring about efficiency in output.

• (3:00 p.m.)

Canada has also fallen behind in the development of new strains of field crops simply

because the federal government has not played its part in the development of new cereal grains. Some 50 years ago Canadians developed a number of new wheat strains which contributed a great deal to the efficiency of the western farmer. The Chinook strain and a few others were developed in recent years but this work has fallen behind the accomplishments of other countries. I mention triticale as one new development in wheat achieved by crossing rye with wheat. The University of Manitoba has contributed much to the success of this new grain. Some new strains have not been too successful but other strains should be tried and we should endeavour to close the development gap that exists between this country and the United States in grain yields.

This brings me to the question of what else we can do with respect to capital investment. I maintain that other policies could be devised that would produce a greater return for the farmer. It is interesting to note the conflict in views between the Minister of Agriculture (Mr. Olson) and his predecessor in office. His predecessor said that he saw no value in a two-price system for wheat. As reported in the Regina *Leader-Post* of July 27 last the present minister said he wholeheartedly endorses a two-price system for wheat.

Mr. Stanfield: That was before he got the word.

Mr. Horner: I am sure many farmers will look forward to seeing the minister implement such a policy. I quote from that issue of the *Leader-Post*:

> Mr. Olson agrees with the proposal for a two-price system for wheat, a platform plank in both the Liberal and Social Credit farm policies in the last three elections. He said Canada is about the only country that sells domestic wheat at the same price as exports.

We on this side of the house will do our best to encourage the minister to implement such a policy. It would increase the net income of farmers in Canada generally and particularly those in western Canada.

I note that the speech from the throne forecasts legislation covering interest rates on loans granted for agricultural purposes. We shall strive to improve these separate legislative items because we want farmers to make greater use of their provisions.

A number of years ago we provided that the Industrial Development Bank could make agricultural loans. As a result there was a great upsurge in the number of such loans made by that bank. However, recent statistics show that there has been a tapering off in the volume of these loans.

The agricultural industry needs a greater inflow of capital to assist in the marketing of goods, whether those goods be fruit and vegetables, dairy products, or other types of goods. By developing better marketing we can make sure that farmers receive a price that is above their costs of production.

In the past four years the government introduced a system of accelerated depreciation for grain storage facilities, but it is going to end now. Many western farmers would like to see provision made in the coming budget for retention of that scheme. That scheme encouraged them to build and buy storage for their grain. At the rate the government is now selling wheat farmers will have to build and buy more storage in the years ahead and the accelerated depreciation scheme would help them.

The Minister of Industry, Trade and Commerce (Mr. Pepin) is now in charge of the wheat board and I note that the government, through the Speech from the Throne, suggests the establishment of a Canada grains council. What will be the purpose of such a council? Various cabinet ministers have commented upon it. The President of the Treasury Board (Mr. Drury), who at one time was in charge of the wheat board, has said that the proposed grains council is not a slam against the wheat board and that its main purpose will be to produce new ideas. Has the wheat board been lax in this aspect of its work? We in western Canada would like to know. We think the wheat board has done a terrific job over the years.

A few years ago the wheat board issued a little pamphlet listing 11 of its functions. These basically cover the selling of grain at the highest possible price with the greatest efficiency, and the development of grain exports at the highest possible price so that grain farmers may receive a good return on their product. Is the proposed grains council to act as liaison between the wheat board and the eastern feed board, or is it merely going to be window dressing?

I note that the Minister of Agriculture is not in the chamber, Mr. Speaker. I have no particular axe to grind with him, but I think it is a pity that as a minister from western Canada he is not responsible for the wheat board. Without that responsibility what effect

has he in guarding agricultural prices for western producers?

The other day we heard that the new Minister without Portfolio (Mr. Lang) from Saskatoon is going to take over responsibility for the wheat board. The wheat board has come under the control of five ministers in less than three years, and such uncertainty does nothing for the western farmer. It should be placed in the hands of a western minister who knows something about western agriculture and who is prepared to do something. I believe it should be placed in the hands of the Minister of Agriculture. He is supposed to be responsible for the well-being of farmers, particularly western farmers since he comes from western Canada.

The former minister of forestry condemned the wheat board. Now we see a national grains council being advocated. The government does not explain what it will do, whether it will be window dressing, providing jobs for a bunch of Grits out to enjoy a just society. We want the uncertainty to end. We want the indecision to end. We want confidence restored but this cannot be done when there is indecision about the international wheat agreement and confusion over whether it is going to be effective and enforced.

At present the Minister of Agriculture is in charge of little that affects western Canada. His biggest responsibility is the dairy industry. We in western Canada have milked a lot of cows in our day but are not necessarily noted for that being our major concern. The previous minister of agriculture can chalk up to his credit that he got rid of more small dairy farmers than any of his predecessors. Throughout the election campaign the Prime Minister suggested that inefficient farmers must go. I do not want the new Minister of Agriculture to be charged in a few years time with getting rid of more farmers, and not just dairy farmers, than any previous minister.

• (3:10 p.m.)

I firmly believe that people want to return to the land. I believe people do not accept the thesis of economists and university professors that everybody wants to get off the land and that the only solution to our agricultural problems is to get half our farmers to leave the land. I believe there are thousands of people living in the cities today who would welcome an opportunity to get back to the farm. It is a duty of a just society to try to provide an opportunity for those farmers to return to the land. They should not be pushed or moved off the land.

During the election campaign the Prime Minister suggested that the small farms must go and that some kind of a new board should be set up which would prohibit the sale of marginal land to new farmers. In other words, the land should either be sold to the crown as public land or sold to another farmer to enable him to enlarge his holding. This is not good enough. In agriculture today we see more and more farmers returning to the farm and working part time on the farm and part time off the farm. Certainly this is acceptable. In fact some figures which I read recently suggested that something like 69 per cent of the farmers paying income tax in the United States are actually carrying on part time jobs. Perhaps this is the way we are heading in this country; I do not know. Certainly if a farmer finds it necessary to take a part time job we should encourage rather than discourage him. We should encourage him to live on the land and not force him off it.

I hope we can clear up the confused situation in respect of grain handling and grain marketing. I also hope that before long the Canadian Wheat Board can be called before the agricultural committee so that the committee may study the whole question of whether or not the international grains agreement can be enforced and whether or not the floor prices under the international grains agreement will in effect be the floor prices at which Canadian grain can be sold on the world market.

Mr. Murray McBride (Lanark and Renfrew): Mr. Speaker, it is a very humbling experience to have the great privilege of speaking for my first time in Canada's parliament. I wish at the outset to underscore the usual courtesies paid by previous speakers in this throne speech debate to yourself, to the leaders of this house, to the leaders of the parties, to the senior and sophomore members and to the freshmen like myself.

As you know I am the member for Lanark and Renfrew. My riding includes portions of three counties within the Ottawa valley, the county of Renfrew, the county of Lanark and the county of Carleton. I was born in the Ottawa valley and I have lived for 23 of my 33 years within 100 miles of this the nation's capital. As a result I have been privileged on many occasions to sit in the visitors' gallery and gain, by a kind of osmosis, the feel, the

cut and thrust, of parliamentary debate. It is thus for me a double honour to be able to take an active part here on the floor of the house itself.

We must always be sensitive to our history. It was a much more brilliant man than I who reminded us many centuries ago that he who is ignorant of what happened before he was born is destined to remain a child forever. I agree. Where we have come from is vitally important in determining where we are going to. Especially is this so if we are to have ourselves, and imbue in our people, any sense of destiny and purpose.

I am well aware also that perhaps everything I say today may have been better said in this house at some earlier date. I do not pretend to have discovered any insights that are uniquely new. Rather, my purpose is to accentuate some of those subjects that I believe need our attention now and in the days and years that lie before us. It seems to me that we are not here to glorify the past but to plan the future. We are not here to reflect the average opinions of the average Canadian but are here to uncover greater possibilities than we have ever yet had.

Our task is one of leadership. I know that Canadians did not elect our esteemed Prime Minister (Mr. Trudeau) because they believed he would follow them. We elected the right hon. gentleman because we know he will lead us and blaze new trails and set new standards for a new age. Similarly, as I look around me today I am convinced that all hon. members in this entire house were sent to parliament because their constituents believed, through the power of the ballot, that they would be the most creative, the most forward looking persons available to come to Ottawa to sculpture the future forms of our beloved nation.

Allow me to set out in both broad and specific terms what I as a novice in the house consider to be the most urgent problems facing us all. It is a cliché to say that we live in a fast moving age. It is also true. As Cardinal Léger used to say, the facts are also the truth. For many people all over the world, the only constant factor is change itself. Rapid social change creates an inevitable sense of rootlessness at the personal level.

Just yesterday we were reminded in this house that in the immediate future people probably will have to enter three different vocations during their lifetime and be educated all over again three different times. We must be aware of the result. It is too easy in a life of continuous change for the individual to come to believe that he is dispensable, which in a very real sense is true, and experience an increasing sense of loss of any feeling of personal worth and value. Such lowering of one's estimate of one's own innate ability to count for something is the initial cause of the majority of all mental illness. Thus we will and do need as never before in our history to take definite steps to emphasize personal value and the uniqueness of the human dimension.

It seems to me that we must within Canada create and maintain an environment wherein we not only produce persons to work with machines but also persons to work with people. As I said earlier I do not belittle history. But this is a future-oriented age as illustrated by the emphasis upon youth in our culture and even as demonstrated in this house where I, at 33, am some 11 years older than our youngest member.

I, in agreement with the government, want Canada to be a director of the future and not one of its victims. For that reason I am a member of this house. The future, by all indications, will produce an ever-shrinking world. We cannot be isolationistic. We must think of ourselves as citizens of Canada, but we must also think of ourselves as citizens of the world. The day is very near when mere nationalism, if it is that and nothing more, will have a very parochial ring. It is one thing to say that we are among the most fortunate people in the world. Let me give you a devastating quotation:

> The rich can only be happy so long as the poor suffer in silence.

• (3:20 p.m.)

Today in a land like Peru a poor peasant woman goes to market down the mountain trail with her chickens and meagre produce piled high upon her head. She has an intimate acquaintance with poverty, disease and illiteracy. Her parents before her were the victims of povery, disease and illiteracy. They assumed that the whole world was poor, diseased and uneducated.

At first sight nothing seems to have changed. This woman's situation is the same as it has been for others for centuries. But there is one thing different and it affects this House of Commons. As she went to market this morning on that far-off mountain trail she likely walked with a very low-cost transistor radio pressed to her ear. She, unlike her ancestors, knows that all the world is not

illiterate, diseased and almost destitute. Her situation is the same but her attitude is changed. The rich can never be happy again because the poor, in an age of mass communication, will never keep silent again.

What does this mean? Our foreign aid has hovered around one half of one per cent of gross national product in recent years, and since the United Nations has recommended that a minimum level of one per cent of gross national product be the target for developed countries it means that if we are to seek a peaceful world and be future oriented we must in a very hard headed way go out across this land and convince the taxpayers that increased foreign aid is not simply the pipedream of some idealist but rather an essential investment in their own children's well-being.

I hope too that we in this twenty eighth parliament can reflect the fact that we live in a pluralistic society. We must, and I believe we will, revise laws restrictive of human rights, for example, laws restrictive of proper family planning, laws which tend to permit the wealthy to attain what the poor are denied. We must reassess, as the throne speech has committed us to do, the lumping together in a legal sense of such diverse chemicals as marijuana and heroin. In short I want, like the Prime Minister, that this be a parliament for the people.

I would, Mr. Speaker, be less than honest to my own integrity if I sat down without mentioning Biafra. In a family the children belong to the parents just as Biafra belongs to Nigeria. In our culture we have assumed for a long time that if the parents to whom the children legally belong brutalize those children, even if they are disobedient and naughty, then the neighbours must take steps for the children's protection. If the neighbours on either side of the home take no action, is the neighbour in the next block thereby excused from taking the most direct and useful action possible for those children's protection? I think not. Similarly, just because it is my brother, a part of my own family, and in this instance of the Commonwealth, who is brutalizing his children it seems to me I am no less required to intervene.

I am distressed by reports this morning from Nigeria. We in Canada are already doing much and that must be recognized, but we must do more and we must do it now. As a novice in this house I want this opinion to be heard very clearly.

Socrates and the ancient Greeks had a definition of leisure to which I wish to draw the attention of my colleagues. To the ancient Greeks leisure was the time a free man spent in pursuit of government, what we might call being civic-minded. The purpose of such effort was to create the great society, a phrase, by the way, borrowed by our brothers south of the border without credits. It seems to me that we in this House of Commons are free men in pursuit of government. I hope and am daily becoming more convinced that the product of our labours will dispel any suspicion among our constituents that we are not, within the modern-day distortion of the original term, using our leisure in the pursuit of government.

My constituents in Lanark and Renfrew have paid me a great honour by sending me here. I hope my contribution in this house will justify their confidence.

Mr. Robert Coates (Cumberland-Colchester North): Mr. Speaker, my first words must be of congratulation to yourself on your re-election to the high office you hold and on your record established in the past in this high office which has allowed politicians to set aside partisan considerations. I must congratulate you for your efforts which have made it possible for you to come back to this chamber as an independent member, thereby giving greater honour and prestige to your position. I believe that you have, Mr. Speaker, taken the first step of many that will eventually place you in the position of being the finest member that has ever occupied your high office and I look forward in the years to come to even greater and more outstanding examples of your non-partisanship and your willingness to serve the members of this chamber.

I should also like to congratulate the chairman of the committee of the whole on his election to that office. I feel certain that in the days ahead he will show this same non-partisanship in carrying out the duties of that position and will serve the members of this house in a diligent and forthright manner.

Let me also offer my congratulations to the mover (Mr. Corbin) and the seconder (Mr. Marchand) of the address in reply to the speech from the throne. I was very impressed with both these young men and I am sure they will make a great contribution to parliament in the days that lie ahead. It is my hope they will find it possible, along with other members in all parties in this

house, to participate often in debates and thereby contribute to the building of this nation.

Before I commence the theme of my remarks I should like to offer my congratulations to the Leader of the Opposition (Mr. Stanfield) for the the outstanding contribution he made to this debate yesterday. Surely that contribution is a clear indication that the official opposition in this house is ready and willing to place frank questions before the government even though they often produce sterile and barren answers much like the document that is the basis of this debate. I refer to the throne speech.

• (3:30 p.m.)

I should especially like to congratulate the Leader of the Opposition for referring to a very obvious omission in the throne speech. I find it shocking to the sensibilities of many Canadians that the Prime Minister (Mr. Trudeau) of this country should ask the Queen's representative to read a document when the Prime Minister does not even acknowledge the Queen. I think many Canadians will find it less than acceptable to hear the Prime Minister of this nation say we do not go around bragging about our loyalty to the Queen, especially when that same hon. gentleman only last spring, when a debate was taking place in the province of Quebec on a resolution to determine whether this country should go forward as a republic or as a member of the commonwealth recognizing the Queen, said he was so disinterested in that debate that he would rather go fishing. I would think he should have been anxious to indicate to all Canadians that he did have loyalty and allegiance to the Queen.

I believe, therefore, that the Leader of the Opposition was right in telling the government that they should say either yes or no when they are talking about loyalty to the Queen. Certainly what the Prime Minister has said to date is unacceptable to me as a Canadian who is loyal to the Queen, and I am sure it is unacceptable to many Canadians in this nation.

Some hon. Members: Hear, hear.

Mr. Coates: Mr. Speaker, I should like to quote the following words:

> Like the diet prescribed by doctors, which neither restores the strength of the patient nor allows him to succumb, so these doles that you are now distributing neither suffice to ensure your safety nor allow you to renounce them and try something else.

[Mr. Coates.]

So spoke Demosthenes 2,300 years ago; yet no words can better describe the plight of the Atlantic provinces today in the light of this throne speech. It was a bitter disappointment, for it followed in the footsteps of the ill-conceived and unfulfilled promises of the Pearson administration that made our area the afterthought area of this nation. This afterthought philosophy persists with the present administration, as exemplified by the statements of the Minister of Transport (Mr. Hellyer).

The government acted quickly and without hesitation in announcing a new air policy that will result in the expenditure of $600 million in the construction of two new air terminals for the cities of Montreal and Toronto but offered only the prospects associated with studies of transportation in the Atlantic provinces, plus the ultra-conservative philosophy that dollars and cents will be the determining factor in passenger services that will be available in the future to the residents of the Atlantic provinces, and more especially to the province of Newfoundland.

It is no wonder that the hon. member for Gander-Twillingate (Mr. Lundrigan) rose immediately in this house and asked when the government was going to start cancelling passenger services in the rest of Canada. What other approach could any new member take after hearing that kind of statement from the Minister of Transport regarding a serious problem facing his constituents?

I recommend to the Minister of Transport the words of a great Liberal, the late Franklin Delano Roosevelt, who said more than 30 years ago:

> The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little.

The voters of the Atlantic area moved in open revolt against an administration that said much but did little. The self-styled despots of the region had little control over the voters, for they had failed to make the federal government recognize their plight. Like Demosthenes, they saw our region as one that could neither survive nor succumb with a government whose every action pertaining to our region was an afterthought.

While the voters of Atlantic Canada witnessed the hysteria that followed the Prime Minister wherever he travelled in this nation, while they heard the words "just society" and "regional economic disparity" pour forth from

his lips when he spoke, they recalled the utterances of other Liberal leaders and were not deceived. The visionary, turned mundane housekeeper, has at least confirmed in the minds of the voters of the Atlantic provinces that they chose wisely. We remain in the position where only one leader in this century has matched performance with promise, and I am pleased the right hon. member for Prince Albert (Mr. Diefenbaker) still graces this chamber with his presence.

Some hon. Members: Hear, hear.

Mr. Coates: I know that we in my part of Canada can continue to depend upon him. He is the greatest friend we have ever had in politics in this nation, and I know he will continue to assist us in our determined fight for equality of opportunity with the remainder of the people in this nation.

If the leaders of this nation are not concerned about the plight of our area, if they are unwilling to consider the shocking revelations provided by statistics, statistics that tell them that even though we are already underpopulated there is a migration from our region that has reached alarming proportions, statistics that tell them we are continually operating, and have for years, with an unemployment base that varies from two to three times the national average, statistics that tell them we live in an area with a per capita income between 70 per cent and 75 per cent of the national average and that the gap has widened, not narrowed, in recent years, statistics that tell them the region cannot hope to become a viable entity unless a new transporation policy is produced for the region, then, Mr. Speaker, we are placed in the position where we must reassess the value of our Canadian citizenship.

Such a reassessment would require that we determine the contributions we make, the sacrifices we make and the benefits accruing from our citizenship. The citizens of the Atlantic provinces stand shoulder to shoulder with citizens in other parts of Canada in our loyalty and dedication to one, united Canada. The rewards for this loyalty and dedication have not been equal in all parts of the nation and we have suffered most from this disparity.

We have never sought charity but only the opportunity to make use of the potential that surrounds us. Like Franklin Delano Roosevelt who said in 1935 that "continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fibre" and "to dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit", we desire only the kind of philosophy from the federal administration that will guarantee our people the right to equality of opportunity.

• (3:40 p.m.)

We in Atlantic Canada are a proud people with a determination to remain, even through adversity, in our region. We have long been known as the exporters of brains to the remainder of Canada, and our people serve today, and have throughout this country's history, in the highest offices in government, industry and education. Those who visit our area from other parts of Canada discover a unique beauty, a warm and generous people, and a degree of progress in which we take special pride, for in recent years it has been almost solely maintained by financially strapped provincial governments. Two of the initiators of our drive for industrialization now sit in this chamber. Both the Leader of the Opposition and the hon. member for Carleton-Charlotte (Mr. Flemming) deserve the highest possible commendation for the leadership and the new spirit they instilled in the people of their respective provinces.

Some hon. Members: Hear, hear.

Mr. Coates: We learned recently that Toronto the good had carried out a special study of the maritimers who come to that great city seeking work. This study group recommended that the city inform federal manpower centres that they require no future citizens from the maritimes. They gave some very uncomplimentary descriptions of those who had migrated in the past. The philosophy which initiated, produced and publicized such a study is reminiscent of that in vogue in Hitler's Germany and is unacceptable and inexcusable in the Canada I know. I say to these Toronto men of warped reason that we are as anxious as they to keep our people in the maritimes and that almost without exception our people desire to remain there. What we require is a drastic change of pace on the part of the federal government, one that will provide the weapons for us to overcome adversity, not the agglomeration which represents today federal government policy in the Atlantic provinces.

We have the great projects which could transform our region from the have not to the have category, but we require action and

imagination on the part of this government. For years we have spoken of the three C's: The causeway, the corridor road and the Chignecto complex. Already this government is preparing the causeway for the guillotine. The mover of this debate has urged the government to give unfavourable consideration to the corridor road, and the Chignecto complex awaits the same fate from a government which up to now has reacted to one study by setting up another.

The Prince Edward Island causeway would be a self-liquidating project based on present federal government expenditures to maintain a transportation link between that province and the mainland. The corridor road has long been promoted as the means of moving our goods much closer to the markets of central Canada, but because this young man, at this early stage of his political career, cannot see beyond his constituency, he counsels the government to kill a project which might well become the cornerstone of a new transportation system for our region.

Naturally I must hope that the foresight of the hon. member for Madawaska-Victoria (Mr. Corbin) will allow him, with time, to see the problems of the area on a regional rather than a constituency basis. If the causeway and the corridor road face the guillotine, can we anticipate the same fate for the Chignecto complex?

It is my view that the problems of the Atlantic region are so severe as to require daring on the part of the federal government. This means the undertaking of the harnessing of the Bay of Fundy tides as a source of power as soon as the government has the assurance it is feasible from an engineering standpoint. We cannot afford the luxury of an economic debate but rather need the kind of courageous decision for Atlantic Canada that was displayed for central Canada in the construction of the St. Lawrence Seaway and for western Canada in the construction of the South Saskatchewan dam.

We are told by the Prime Minister that the government will approach this matter through its manpower policies. If the government persists in this philosophy, the Atlantic provinces will become the training ground for industry in central Canada. Our people will be trained or retrained for non-existent jobs in the Atlantic region and then provided with one-way tickets out of the region. The ghost of Walter Gordon casts its ugly shadow over our area once again.

[Mr. Coates.]

A new breed of man must appear on the scene in Atlantic Canada. He must be fearlessly determined to protect our area from the afterthought philosophy and from further economic erosion. The 32 members from the Atlantic provinces must become the vanguard of the army at home which will fight for equality and justice. I have had the pleasant experience of meeting a man in the present administration who might well provide enlightened leadership to this vanguard in Ottawa, namely, the Minister of Defence Production (Mr. Jamieson). I will watch with anticipation his words and actions in the days ahead. If he meets my expectations and if his deep concern for our problems continues, progress is assured.

This new breed of man must generate inspiration to the legions at home so they may fight discrimination and win equality of opportunity, thereby guaranteeing that the words of Demosthenes will not be the epitaph on our tombstone.

[*Translation*]

Mr. Jean-Charles Cantin (Parliamentary Secretary to the Minister of Justice): Mr. Speaker, I wish to join those who con-congratulated you and your assistant on your respective appointments. I know that you will both discharge your duties with great dignity, decorum and competence.

Please transmit my best wishes and congratulations to the Speaker of this house upon his appointment. By first sitting as an independent member and then becoming Speaker of the house, he has, in my opinion, created a precedent which does him special honour, as do also his rulings based on other precedents.

I also wish to congratulate the sponsors of the address in reply to the Speech from the Throne (Messrs. Corbin and Marchand). In my opinion, they have made an excellent start and need only follow the road they have chosen.

• (3:50 p.m.)

As for myself, Mr. Speaker, I have been elected for the fourth time. My former riding, that of Quebec South, included the town of Sillery, part of the city of Quebec and all the old historic part of Quebec City. Redistribution unfortunately removed the historic part of the city of Quebec from my new riding of Louis-Hébert. However, it added thereto the cities of Sainte-Foy and Cap-Rouge.

I wish to thank all those who took part in my election campaign. I want also to thank all the voters who had faith in me, who enabled me to pass the test rather successfully, and the best way to thank them is for me to represent all Canadians here. I am determined to work to that end.

We will have to study legislation which might prove controversial, but when that time comes, we will have to remember that when voting on any given legislation, we do it as representatives of all Canadians and not only as members of particular ridings.

During the election campaign, I lived through a rather interesting experience: I saw the young take an interest in politics, and that for the first time. Young people from 15 to 20 years of age, who could not even vote, came to the offices of my organization committees, asking me to hold forums, political information meetings. I did so with great pleasure and I gained a lot from the interest shown by these youngsters for public affairs. I was also amazed by the seriousness of their questions.

We live in a fast changing world whose influence on youth is greater than ever. Still very young, they come down into the street and demand things which never came to our mind when we were the same age. Our students demand participation in the management of universities and in the elaboration of their courses.

I say that this is a modern phenomenon which was perhaps crystallized during the last election campaign by new leaders, and especially by the leader of my party who was able to get the youngsters interested in public matters.

So, I say we must now start a dialogue with the young, interest them in public affairs, make them participate in our debate, in our exchange of ideas—that is what I intend to do with my colleagues—in an endeavour to quietly institute democracy through participation, the participation of all the citizens, at every level and, I would even say, of every age group.

Mr. Speaker, I assure you that this experience, which was new to me, was also very useful for the progress in my way of thinking on public life. This brings me to the address in reply.

The main criticism voiced by the opposition is this. It contains nothing but generalities. Obviously, this is something new. It does not give, as usual, a list of legislative measures, a catalogue of laws. On the contrary, the Prime Minister (Mr. Trudeau) decided to present a motion to table a list of legislative measures mentioned in the Speech from the Throne.

This speech outlined a philosophy, a policy for the future with general objectives; and we want to have adopted pieces of legislation enabling the achievement of those objectives. We want to establish in a reasoned, sensible manner, according to our means, an increasingly just society. We shall succeed if everyone participates.

As you know, established traditions and an entrenched economy cannot be changed without a degree of rationality, allowing for the time required to effect those changes. However, I think we have taken the right steps in this direction, and all the cabinet ministers have worked hard this summer to prepare the legislation which is to be submitted to the house.

As a member of parliament, I also have to deal with matters in my riding and in my area, and as concerns achievements, I have tried for the last few years to effect certain improvements. Some projects have been implemented, but some others have not yet been carried out.

At this stage, I should like merely to mention the Quebec City airport. We should not forget that Quebec is, after all, a capital. Now, the airport we have at present is not worthy of that city; essential services are completely lacking, from baggage service to the conveniences that could be made available to travellers. I know that a study concerning the renovation of the airport is under way and I am going to ask the honourable Minister of Transport (Mr. Hellyer) to see that it is carried out as soon as possible.

So, with respect to the challenge confronting us, Mr. Speaker, I should like to mention my first impressions. Upon coming back to this house last week, I felt like entering a new parliament. I believe there are about 60 new members on the Liberal side and more than 40 in the various opposition parties. Among the new-comers on the government side, I noticed many young and serious representatives, who are really anxious to work and improve our society. I believe we can observe on the opposition side the same concern for progress with respect to all Canadians.

I believe the atmosphere pervading the opening of this parliament is auspicious and that we shall be able to achieve, in the near

future, the goals set in the Speech from the Throne.

Some hon. Members: Hear, hear.

[*English*]

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, as a newly elected member from a newly created riding I am pleased, through the courtesy of my colleagues, to be able to take part in this debate at this time. If I were to say that I did not come here to talk, that statement would be both inaccurate and misleading. It is not, however, how much is said but rather the quality and relevance of what is said that will determine whether this parliament can reverse the trend of electoral drop-outism which is found in an increasing segment of Canadians. It will be my objective, then, to deal with matters before this house in a positive, conscientious way.

Other speakers have offered congratulations to you, Mr. Speaker, upon your election to this important office. May I be permitted to add mine, with the observation that last Thursday you advanced to your position from the back row of the opposition benches. I will accept this as a good omen for others in my row interested in upward social mobility, although I doubt that our rise will be quite as rapid.

Laudatory words of congratulation to the right hon. gentleman who is our Prime Minister (Mr. Trudeau) have also been extended repeatedly. I hope that in adding my voice to the chorus I will be forgiven if I fail to launch myself into stellar flights of oratory of a kind comparable with those words which have come from the government side of the house. There are three major reasons for my ungrudging but comparatively subdued greeting. First of all, I sit in the opposition, so in that sense my mission here is to bury Caesar, not to praise him. Second, my presence here is not a result of this gentleman's popularity in the recent election. In fact, the contrary is the case and I am here despite it. Finally, but most importantly, much of what has been said in reference to the Prime Minister has implied accomplishment of what is but yet potential. Wishes are not facts; sentiments are not solutions. Good intentions are but pavement on the road; they are never to be confused with progress along it.

This brings me to a crucial point in considering the rather dreary document before us, the speech from the throne. One would have anticipated a 20th century banner of excitement and verve to be unfurled, an imaginative, courageous blueprint for a new Canada. This is what our country hoped for and deserved, but we did not get it. At a time in our history when pride in ourselves as Canadians was glowing as never before we were ready to be challenged, anxious for the new look and famished for idealistic leadership. But, Mr. Speaker, we were disillusioned. We were served with a skilfully vague reiteration of the status quo when we had every right to expect, from advance notices, a ringing manifesto for social change. This speech will send no one to the barricades, sir—more likely to the rail.

Reform in parliament we can all support, I believe, but it does not necessarily follow that reform in government will be the result. Forms are much more easily amended than substance. People may be fooled for a while by what looks like improvement, but if the "just society" turns out to be "just a front" their revenge may be devastating.

• (4:00 p.m.)

I am certain that my constituents, the pensioners, the veterans, the rural poor, the unemployed, the fishermen, the Indians, the educated, the uneducated, the sick, the weary and the discouraged, will all be fascinated to discover how past governments could be accused of concentrating on the distributive aspects of our economy. Only a week ago we received the report of the economic council which sets forth in alarming terms the contradiction that 40 per cent of Canadians are on the short end of the distributive stick. Many people in my riding will give great support to a government willing to give greater concentration to an even better distribution of the wealth of our country. The plain fact of the matter is that, despite our affluence, far too many people in Canada have far too little of the things necessary for hope and happiness and dignity.

The government knows full well that exhortations to work harder, to show more individual initiative, will have little effect on the productivity of the unskilled and unmotivated. Millions of these people struggle now in a circle of hopeless drudgery and inflation is forcing them to run harder just to stay where they are.

Lectures on outmoded economic theories will not help, either. We are short of money to spend on the things we need, like schools,

hospitals, universities, research and retraining, because we have squandered millions on things such as Bobcats, Arrows, Bomarcs and Norads, that we do not need or no longer need.

Mr. Cadieux (Labelle): How do you know we do not need them, or did not?

Mr. Rose: No, I think the secret of improved productivity lies in improving the skill of the average Canadian; and this implies a massive investment in the human resources of our country, especially in education. Canada is no longer a rural society, although many look back nostalgically to when it was. We are, rather, a nation where fewer than 10 per cent of our people live on farms and the rest now live in urban centres. When we remember too that over half of the parents in this country have only grade 8 education we can then appreciate the tremendous job ahead in transmitting educational values to the young.

John Porter had this to say recently, and I quote it because I believe it to be of great relevance if one wishes to tackle the problem of productivity with diligence. He said:

> If a society as it is becoming industrialized fails to upgrade its labour force ... there is an alternative open to it, and that is to go and get its skills some place else, and that is what Canada has done to a great extent. It is quite fair to say that the high level of industrialization which Canada enjoys today rests not only on the importation of foreign capital but on the importation of foreign skills and professions Canada has failed to produce.

The path seems clear then, Mr. Speaker, as to what might be done to begin to improve productivity. Our people are neither stupid nor lazy; too few have had enough education of the right kind. Far from having too much of this free stuff, many have had too little.

The story of the average Canadian is the story of wasted talent because of inadequate preparation to meet the demands of the technological society. Our lag in regard to education can be seen when we recognize that 15 per cent of Canadians have enjoyed post-secondary training compared with over 40 per cent in the United States. Too often, of course, it is not the most able who go on, because the financial demands of higher education are insurmountable to all the most dedicated of the poor.

It is no longer news that a disproportionate number of the sons and daughters of upper income families are to be found in our secondary schools and universities; yet middle and low income groups have the most brain power simply because they contain more people. I believe that this state of affairs is no longer satisfactory. It is too late for such wastefulness. It is the ability to learn, not the ability to pay, which should determine who is to go on.

Now is the time to renounce once and for all the outmoded and inefficient concept that the federal government has no business in education. The national government has already stuck its toe in the water of vocational, agricultural and university education. Now is the time to plunge right in and come up with a bold program. I agree that there is sound constitutional validity that primary and secondary education remain the preserve of the provinces, but there is nowhere near the historical justification for post-secondary institutions of learning to be exclusively under provincial control. At the time of confederation institutions of higher learning were privately endowed and not state supported. It seems to me, therefore, that provincial claims to exclusive rights here are extravagant.

The products of higher education are a natural resource of prime importance. Their mobility, expertise and contribution to our country's development make it essential that a greater interest and investment in post-secondary education be undertaken by the national government. More and more young people are knocking at the doors of these schools and finding them closed. I suggest that this condition can only perpetuate the teach the best, shoot the rest elitism we have traditionally accepted in Canada. More schools must be built and different kinds of schools developed for the vast variety of talents and skills possessed by our youth and to provide an educational alternative to those not wishing to go to colleges or universities. This is a way to increase productivity. Our neighbour to the south has enjoyed outstanding industrial success largely because it has deliberately broadened and democratized its educational system and produced the most skilful work force in the world. The broader the base, the higher the pyramid it can support.

The lack of federal consideration of education is inconsistent with the objectives of a modern state. A patchwork of ten provincial systems each running off in all directions is an extravagance 20 million people can scarcely afford. I propose that a national office of

education be established, whose functions would include the following: First, to assume leadership in establishing some uniform grade and subject standards across the land, so that children of our mobile work force will no longer be educationally penalized nor psychologically disadvantaged by moving abruptly from one school system to another.

Second, we need a national office of education to stimulate and co-ordinate educational research in Canada so that we will not remain as dependent on the importation of foreign research as we are on foreign capital and skill. Third, we need a national office of education to administer grants, directly to institutions, if necessary, in order to hasten the day post-secondary training and retraining at public expense are considered as much a right as we now accept education to be in the elementary and secondary systems.

At this point, Mr. Speaker, I must express my regret that the government has recently allowed a 2 per cent increase in the Canada student loan interest rate. This regressive measure penalizes those who can least afford it. Why has the government not moved in exactly the opposite direction? Why has it not provided more able young Canadians with the kind of incentives it offers university officer candidates for the Canadian forces? I have no objection to paying young people $187 per month to go to university because I know the whole country benefits in the long run. But it does evoke some comment on our priorities that we willingly pay $187 per month to train young men to kill and be killed while we raise the loan rate for future teachers by 2 per cent.

Fourth, we need a national office of education so that no country in the world will be in doubt that the educational address of Canada is not in Victoria, British Columbia or Quebec city but is in the parliament buildings, Ottawa. We must in future avoid a recurrence of the recent controversy and national embarrassment caused by the attempted extraterritorial extension of provincial educational rights. Finally, we need a national office of education to improve and make more meaningful the cultural life of Canadians.

I am concerned, Mr. Speaker, about the grim technocratic nature of the document before us. It has little or nothing to say about the quality of life to which many Canadians aspire. It comes through to me as having a clinical, sterile, impersonal quality emphasizing efficiency and muscle in an age when technology seems on the verge of releasing man for a new renaissance of creation and re-creation. Campus activists who are demanding a greater share in decision making are but the tip of the iceberg of youthful discontent. Many young people find it no longer acceptable to have their educational systems so completely ordered by adults that they are likely to emerge from schools as dehumanized units destined for industrial and commercial oblivion.

What man does with his leisure is largely dependent upon how he was educated. And one of man's greatest new problems is likely to be how to fill in the time between birth and death constructively. It is inconceivable to me that a cabinet led and dominated by Latins could articulate the Puritan ethic more admirably. May I ask: Oh where, oh where, is your Gallic flair?

• (4:10 p.m.)

I am honoured today, Mr. Speaker, to speak before this assembly. I am deeply grateful to my constituents who have given me the opportunity to work with great Canadians on both sides of the house. I am happy to take my place here along with more than 100 new members and I express the opinion that reform in this parliament will be greatly facilitated by the fact that so many of us have so little to unlearn.

Fraser Valley West is a new riding created from the former ridings of Fraser Valley, once represented by A. B. Patterson; New Westminster, represented by the present member for Surrey (Mr. Mather) and Burnaby-Coquitlam, formerly represented by our national leader, T. C. Douglas, who is temporarily delayed but we expect him here soon.

Some hon. Members: Hear, hear.

Mr. Rose: The riding is bisected by the Fraser River from which it derives its name and is approximately two-thirds rural and one-third urban or suburban. This beautiful area includes six municipalities and parts of three others and boasts of well-kept homes, some beautiful rivers and lakes, a seaport, fine farms and much rugged natural parkland.

The Fraser River, of course, has long been a major producer of salmon as well as being a navigation artery for commerce, a gateway to the interior of our province in the early days, and today vital for the transportation and storage of millions of logs each year for this major B.C. industry.

On the north bank of the river, between the Fraser and Burrard Inlet, is a hilly area commanding a view of the valley. This is the area served by the Coquitlam school district and is the fastest growing urban area in B.C. This is where I make my home. I grew up on the banks of the Fraser and for 35 years of my life have lived within a mile of its shores. It is not only what you know about an area but what you feel about it that is the crucial thing, and I would like to tell this house in the time remaining to me how I feel about a few matters affecting my riding.

For all purposes, and with apologies to the hon. member for Skeena (Mr. Howard), the Fraser valley provides the only corridor to Canada's west coast. In fact the Fraser delta is Canada's Pacific coast. The two major rail lines, a freeway and the river have sought this natural way to the sea. In addition, the best of the 2 per cent of B.C. land suitable for agriculture is found here. Our planners tell us that the population will double by the turn of the century, and today the pressure of subdivision and suburban encroachment on the remaining farm land is reaching alarming proportions.

Joint efforts on the part of Fraser Valley municipal governments toward the solution of regional problems are worthy but are just beginning. The concept of regional planning received a cruel, if not fatal, blow recently by the intrusion of a third rail line right through the middle of some fine farms. This was done against the advice of the planners, against the wishes of municipal governments, and of large numbers of citizens who feel the presence of this B.C. Hydro and Power Authority line to be largely redundant, politically motivated and an affront to good planning. Many people believe, Mr. Speaker, that this new line for unit trains to the federally-financed Roberts Bank superport was located in the best interests of the railroads alone, ignoring recreational and conservational factors. And so do I. Many also believe that if the federal government is not guilty of complicity with the B.C. government in agreeing to the route it is, at the very least, guilty of a weak, waffling posture on the whole matter. And so do I. To take 100 car unit trains of coal up a mountain, through rich farm land and finally along the best bathing beach and waterfowl area in the lower mainland, when there is a reasonable alternative open, is a decision that appears ludicrous.

Some hon. Members: Hear, hear.

Mr. Rose: We are pleased in the valley, on the other hand, that at long last some concrete federal-provincial legislation has appeared designed to overcome the devastation of the periodic Fraser flooding. Certainly those who remember the 1948 flood now have better cause to be optimistic although legislation by itself is seldom watertight enough to protect the land. We shall not quarrel either with the timing of the announcement and visit by the minister himself to my riding during the early weeks of the election campaign; we must agree that progress in this problem of flood control is now possible. I do submit, however, that dikes are relatively temporary measures and the permanent solution to Fraser flooding probably lies in controlling the run-off by means of storage dams in the Fraser canyon.

A very serious problem confronting my riding also concerns the waters of the Fraser and its tributaries and Burrard Inlet too. With the pressure of expanding population and the limited means available to municipalities to raise revenue, it is almost inevitable that our waters be gradually polluted. Raw sewage is a distinct problem in Burrard Inlet as is the spillover of sulphur from the Canadian Pacific bulk loading facility. Fraser fishermen at Fort Langley tell me it is now possible to ascertain when the people 20 miles upriver at Mission City have eaten asparagus for dinner. Moreover, the Coquitlam river, an excellent sports fishing stream, is constantly being despoiled by the activities of gravel companies whose depredations along its shores have at places turned it into a Hollywood set suitable for a life on the moon series. Much more federal leadership in the standards and control of pollution is vital if we are to avoid poisoning ourselves, and I await with much interest and anticipation the specifics to follow from the reference in the speech from the throne to conservation of our resources.

I should be remiss, Mr. Speaker, if I did not bring before this assembly on behalf of the municipalities I represent their concern for the manner in which the winter works program was guillotined. The explanation given by the government that the program was not the most effective way of using funds may contain some measure of truth, but to suggest that manpower training programs can immediately replace winter works is a statement which completely boggles the mind. If winter works were to be discarded at a time

when municipalities in my riding were seeking a five-year extension, surely an adjustment period of a year or two might have been in order. One can become accustomed, I suppose, to losing one's hair a hair at a time, but it is particularly startling to be scalped without warning.

Mr. Knowles: Ask the Solicitor-General (Mr. McIlraith).

Mr. Rose: I wonder whether the government will not later have regrets about the discontinuance of this program before other measures are made available to soften the blow.

I suppose that any speech can be criticized on the ground of what it has left unsaid. I too looked without success for any reference to the Carter and Watkins reports in the speech from the throne. I was particularly disappointed to see no reference in the speech to what government action we might expect on the Watkins report on foreign ownership, for I think that it will be exceedingly difficult for the 20th century to belong to Canada if our country soon belongs to the United States.

Certainly the sin of omissions applies to my remarks also today. I hope to overcome these omissions in the years ahead and work effectively on the issues as they arise. I am determined to do this because this is why I was sent here. I know of no $30,000 government appointments available to the members of my party once they are defeated.

Some Members: Hear, hear.

Mr. Rose: But in closing I must bring before the house matters which transcend both constituency and national concerns. The speech from the throne contains this sentence:

> My government intends to press forward its plans and programs for international co-operation and development which includes the establishment in Canada of an international development centre.

It is my hope that among the problems which will be brought before this centre are what I consider to be the three P's of world concern and unrest. They are: population, pollution and poverty. If our government is successful in retarding any one of these evils which are steadily pushing the world's people toward the abyss, it will have justified its existence. For as certainly as the gap is growing between the haves and have-nots within our borders, so is the distance that the technologically emerging nations must travel to catch the industrially developed. If we are not successful in lessening these disparities and solving these problems, we will have lost the race with disaster, Mr. Speaker, and whatever else we may do here becomes irrelevant.

• (4:20 p.m.)

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, just as previous speakers, allow me to offer you my heartfelt congratulations on your election. Before I begin my speech, I would like to make a small correction concerning the title given to you. In French, an "orateur" is one who delivers speeches before a meeting or a very eloquent man, while a "président" is the person who conducts the proceedings of a meeting or a court, according to the definition of the Larousse dictionary. I will take the liberty during my speech to call you in French "monsieur le Président".

Mr. Speaker, allow me first to congratulate warmly the leader of the Ralliement Créditiste, the member for Témiscamingue (Mr. Caouette).

Since Thursday last, I have experienced my first hours as a member in the House of Commons. And we knew the most serious and pleasant moments Monday evening, September 16, when the hon. member for Témiscamingue took part in the debate on the address in reply to the Speech from the Throne. I hope, Mr. Speaker, that the unusual attention then prevailing in the house was an indication of the good faith of its members and an encouragement for the 400,000 electors who supported the Ralliement Créditiste.

Mr. Speaker, like all my colleagues, I approve the subject of the Speech from the Throne: the establishment of a just society. We now have to discuss the means to be taken so as to establish that just society.

The right hon. Prime Minister (Mr. Trudeau) certainly indicated in his answer to the speech made by the Leader of the Opposition (Mr. Stanfield) that the time for good intentions was past. I am very glad to hear it, Mr. Speaker, but I am afraid it may only be the same old story which all government leaders have told over the years, as the hon. member for Témiscamingue so well demonstrated in his speech.

It is time, Mr. Speaker, to think of passing concrete measures to solve the problems facing the Canadian people. Let us stop talking about problems and find solutions. To make financially possible what is physically possible

is not an empty election campaign promise. I am ready, Mr. Speaker, to support any government measure which would put credit or money at the service of the citizen. This system proved itself in wartime. The billions of dollars put into circulation in the form of credit during the period 1939-45 started an era of prosperity which continued even for a few years after the war, in fact until we applied again those famous restraints which result only in making the rich richer and the poor poorer.

As a matter of fact, we simply want a just society. We want every citizen to be reasonably well off. We want a fair distribution of all the riches of our country. We want all Canadians to be equal culturally, while being equal financially, with a vital financial minimum.

This brings me, Mr. Speaker, to the main topic of our times in Canada, and even sometimes abroad, the situation of Quebec within Confederation and the problem of the existence of the French-Canadian nation in this vast country of ours.

To wish for the emancipation and the complete fulfilment of one's nation can hardly be considered as a violation of the national integrity of any country. When I said to the people of the Champlain riding that I would champion the rights of Quebec in Ottawa, I was simply doing my duty as a responsible citizen who wants to contribute to the expansion of the whole country through the complete development of the characteristics which Providence has deigned to bestow upon us.

Quebecers or French-Canadians do not have any animosity or hatred against their compatriots of other origins. It is unfortunate that their sincere desire towards emancipation and improvement is often interpreted as something negative, if not destructive.

The example of the difficulties in Saint-Léonard shows very well the rather odd situation existing in Quebec, particularly in the greater Montréal area, where 90 per cent of the immigrants are being assimilated by the English-speaking community. If I decided to live in Spain, it seems to me obvious that I would have to adopt the Spanish culture, as well as I would have to become Russian if I were to settle in Russia. Why then should the Italian, Portuguese, or German who settle in Quebec not accept to become Quebecers?

Furthermore, the federal government should assist in the integration of those immigrants into the Quebec French-speaking community. Why, Mr. Speaker? Because, if the present pace is maintained, in view especially of the progressive, and even alarming, decrease of the birth rate in the province of Quebec, we cannot be sure that French-speaking Quebecers will still form a majority in Quebec 15 or 20 years from now. It is understandable why we think of self-preservation, when we have to answer the question: "What does Quebec want?" Canada as a whole should not contribute to that new-style genocide whereby a nation would slowly waste away unnoticed by its political elite which is present here, in this house, precisely in order to safeguard the fundamental rights of the nation.

I am sure, as was so rightly said one day by a certain general, that whatever the problem, time will provide a solution, on condition we stop, as soon as people express pro-Quebec feelings, placing them in *a priori* categories and interpreting their position as a stand against Canada.

Now, may I be allowed, Mr. Speaker, to underline an abnormal situation concerning the very foundation of a just society, namely a provision of the Military Voters Act.

After my election, a judicial recount was held in the riding of Champlain, and I thus had the opportunity to see for myself the anti-democratic character of this vote. I understand, Mr. Speaker—and I congratulate our armed forces officers—that our soldiers are very well trained. They file past in step, they eat together, they follow together a hard and formative discipline. But I would never have believed that this discipline was so strict as to compel all our soldiers to write the same.

Some hon. Members: Hear, hear.

Mr. Matte: Yes, Mr. Speaker, on checking the registered military vote in the riding of Champlain, to our surprise and later to our merriment, in which the astonished presiding judge finally joined us, all the voting papers bore identical signatures in favour of the candidate of the party in power.

It seems to me, Mr. Speaker, that the same rules should apply to the vote of the military as well as to that of the other citizens. I would therefore suggest:

(1) That the list of the military in a riding be posted like the ordinary voters list.

(2) That the military should vote at the same time as the other voters and that those who are stationed away from home not be prevented from voting in the temporary polling booths set up across the country.

• (4:30 p.m.)

(3) That they use voting papers identical to the ones used by the other voters and not the small yellow slips on which they write the name of the candidate for whom they wish to vote.

(4) That all the military vote in a single riding set up expressly for them, or else in the ridings where they have in fact a home.

Finally, Mr. Speaker, let there be an end to the vote of the unknown soldier.

Here are a few suggestions which could be applied immediately to improve the lot of the population of the Champlain riding. That huge riding which stretches along the St. Lawrence river, from Portneuf to Ste-Marthe-du-Cap-de-la-Madeleine, and extends as far north as Parent, that is some 250 miles, has heterogeneous interests.

The southern part of the riding is made up mostly of farm parishes. One knows, Mr. Speaker, that in Quebec, where there are so many paradoxical things, the farmer who is called upon to feed the people is hard put to feed himself. The satisfactory solution would be to guarantee the purchase of all his production, and until that policy is established by the Quebec government, the federal government should be much more generous in granting subsidies.

With regard to the other workers as a whole, it seems rather funny to them that those who strike already make two or even three times as much money as they earn as a rule. Many more municipalities should be considered as designated areas in order to get help that would enable them to improve their economy.

The people of the northern part of my riding are particularly concerned about another problem. From La Tuque to Parent, all the inhabitants or workers—there are a few thousands—are deprived of television coverage. It seems to me that is an injustice, the more so as these isolated people are in greater need than others of excellent information and recreation media.

Radar towers which are now placed 25 miles apart as far as Parent could be used right away. So, with hardly any coats, these people could enjoy television, which is an indispensable thing nowadays.

The northern part of the riding of Champlain is not the North Pole after all, and it is unthinkable that in 1968, this everyday service has not yet been extended there.

Another suggestion, Mr. Speaker. It is about the implementation of a plan already submitted to the government concerning the establishment of a rehabilitation centre on the former radar base at Parent. I visited the site last summer and I found it disgraceful that such a place which cost some twenty million dollars is left in utter neglect while it could easily be converted into a rehabilitation centre. The establishment of such a centre would enable the development of a whole area.

We can only hope, Mr. Speaker, that the government will consider these few remarks or suggestions, and you can rest assured that I will heartily co-operate in any endeavour leading to a just society.

[*English*]

Mr. James A. McGrath (St. John's East): Mr. Speaker, my first words are to join with other hon. members in extending congratulations to you, who we hope will be our permanent Speaker, and to join with those who have extended congratulations to the mover and seconder of the address in reply.

In rising to take part in this debate I have no desire to burden hon. members with further criticisms of the speech from the throne. I believe the Leader of the Opposition (Mr. Stanfield) dealt with it adequately. He dealt with its shortcomings as did other hon. members. Suffice it to say it was a flatulent restatement of things already done, a poor statement of policy for a just society, and a great disappointment to the people of Canada who expected much more from this new government.

It was only exceeded by the Prime Minister's vain attempt in his speech in this debate to try to explain it. If these speeches, the speech from the throne and the Prime Minister's speech, are to be our first full measure of what the just society is, then we can only pray for its demise.

There is only one more observation I should like to make before I leave the subject of the speech from the throne. I have in mind the fact that this is the first time in the history of our country a Canadian government has been forced to apologize in advance for its failures. Usually they have been able to wait

two, three or even four years before explaining or attempting to alibi their legislative and administrative shortcomings. Great expectations have already dwindled to puny expectations.

I would be happy to let the speech from the throne quietly die, were it not for a phrase that runs through it like a refrain—its only distinguishing aspect. That phrase is the one we have heard much of since this debate started. I refer to the much heralded "just society". I find this choice of words by the Prime Minister to describe his new Canada disappointing to the people who look for a bold new approach to government by a government that was to fire the imagination of young Canada.

I find it offensive when I think of my native province, and when I think of my constituents in this context. It is a hollow mockery of the phrase "the just society" when there are Canadians in this country today living in socially and economically unjust conditions, aggravated, if not indeed produced, by the past neglect and the very indifference of the people who now join in the alleluiah chorus and talk about the just society.

In my opinion no political party and no Canadian government carries a greater share of responsibility for the social and economic injustice so prevalent in this country today than does the Liberal party and the government of this country. Ask the people of Atlantic Canada. Ask the people of Newfoundland. Ask the people of my city, my constituency. Ask the 6,500 Canadians who still live without hope and in despair in the mining town of Bell Island. This industrial community, the oldest in Newfoundland and one of the oldest in eastern Canada, was the scene of an iron ore mining operation carried on successfully since the turn of the century. These operations were curtailed in 1963 by A. V. Roe, placing out of work over 1,400 people, their dependants, and those who worked in service industries.

At that time these people looked for justice to the new government of that day. At that time it was not the just society; it was the war on poverty. Well, we still have the injustices of poverty in this country. After the war on poverty we now have the just society. The people of Newfoundland did not buy it. They defeated six Liberal candidates who sat in this last parliament because they know it is too late to try to excuse the neglect of the past five years with empty catch phrases. The people of Bell Island today live in despair. They live without hope. They live under the cruel soul shattering, morale destroying, welfare which is today their lot. They are not permitted to work. They are not permitted to retain their pride by working for a living, because under the provisions of the Canada Assistance Act which grants funds to the provinces for relief purposes they are not permitted to work for their welfare. Our people want work and they want to hold their heads up and work for what is just and rightly theirs.

• (4:40 p.m.)

For too long, Mr. Speaker, the government of this country has been content to close its eyes to the urgent social and economic problems and needs of the Atlantic provinces. For too long the government has been content to close its eyes to the serious problems facing Canada's tenth province. The government has been content to sit silently in this house and allow Newfoundland to remain the sealed off personal fief of Joey Smallwood, in return for a solid seven Liberal members and supporters.

Times have changed and our people want a better deal. The man who likes to refer to himself as the only living father of confederation is tottering on his throne. The people of my province have rebelled against 20 years of neglect and injustice. Mark my words, they want their place in this just society. They feel they are entitled to a place in this just society, if there is to be one. They looked with hope in 1949 for a just society that never materialized.

I could find no such reference in the Prime Minister's book "Federalism and the French Canadians". I should like to read from page 68, so you can see if there is something missing from my concept of what this phrase means:

> —the continued complaints of the maritimes finally won them preferential treatment in 1932—

He writes about preferential treatment for the maritimes in 1932, but this is the key phrase:

> —and last, in 1949, Newfoundland made the federal government pay dearly for its entry into confederation.

This is what the Prime Minister wrote. But if this is the just society that we are to expect from this new administration, then the people of Atlantic Canada, certainly the people of my province, want no part of it.

Is it a just society that would allow the Shaheen deal to go through? I refer to the deal concluded by the Newfoundland government with the Shaheen group whereby the government of Newfoundland has deprived the people of Newfoundland from their birthright. That government has made it possible for this New York financier to buy up for a mere $2,000 the entire untaxed profits earned over a 15 year period of a provincial crown corporation.

Who is to speak for the people of Newfoundland in this just society? This financier has accomplished this fantastic deal without risking one penny of his own. The deal has been called many things, two cabinet ministers resigned from the Newfoundland government because of it, and the throne man of Newfoundland is tottering because of this and other abuses. Suffice it to say this is a monument to the folly of unchallenged Liberal power in Newfoundland and is a gross perversion of the intent of crown corporation legislation.

What will the federal government do about this situation? What about the new minister from Newfoundland, whom I congratulate on his appointment to the cabinet—what will he do? The people of Newfoundland look to him for a fair measure and share of the justice we have heard so much about.

In any event the people of my province have been cheated in such a blatant fashion there is a moral obligation on the government of Canada to do something about these things. The people of my province are justly concerned about the abuses that are still carried out in the name of government. The only real evidence we have seen of the just society, if indeed one can continue to term it such, has been the cancellation of programs by this government. In the midst of the fishing season the salt rebate program was cancelled, without even any suggestion of what is to replace it. This has caused hardship to hundreds, yes, even thousands of Newfoundland and maritime fishermen who depend upon this salt rebate as a means of increasing their already meager earnings.

We have seen the evidence following the cancellation of the winter works program. This will result in great hardships to the cities of the Atlantic provinces, indeed to the cities of Canada, but especially to the cities and municipalities in my province which already suffer from the highest rate of unemployment in all of Canada. This program was cancelled without even a vague suggestion of a replacement for it.

What reference is there in the speech from the throne to this very serious crisis facing the fishing industry in Newfoundland today? This is an industry from which 150,000 Canadians directly or indirectly derive their livelihood, an industry which in economic terms represents almost 3 per cent of the gross national product in this country.

There has been no reference to the serious housing crisis in Canada. We have heard about the minister's task force and we are looking forward to being in Newfoundland when it arrives there. There has been no reference to what this government intends to do about the thousands of Canadians who, because of rising interest rates, are deprived of their rights under the National Housing Act, and the effect on those in lower income brackets.

In my city our people suffer from a lack of adequate housing and from a lack of adequate subsidized housing, and a means to buy such accommodation. Yet no reference is made to housing in the speech from the throne. This is a very serious problem which affects all Canadians but which adversely affects certain areas in Canada more than others. When the people of the maritime provinces suffer because of the inadequacies of a particular federal program it means a real hardship to the people of Newfoundland, a hardship which they are expected to bear, and bear silently.

The people of Newfoundland want justice and want to be treated like other Canadians. If a just society means the end of programs which mean so much to Atlantic Canada and particularly to Newfoundland then we want no more of it. We have lived through the war on poverty but we still have poverty in abundance. We have people who still suffer because of the highest per capita cost of living ever, and the lowest per capita income in all of Canada. Hon. members do not know what poverty is and the Prime Minister does not know what poverty is, but his colleague from Newfoundland knows about it. He has seen it on the south coast of his constituency. My colleagues from Newfoundland know what poverty is; they have seen it in every bay and inlet in the province. My colleagues from New Brunswick know what it is; they have seen it in the northern part of that province. Poverty is a real thing, not something you can legislate by trite phrases. It is

something that has to be tackled with concrete programs.

One of the real inadequacies of our federal system results from the fact that the implementation of national programs does not give due regard to the peculiar and special economic circumstances of the different regions of the country. The National Housing Act, as it now exists, is fine for the people of urban Ontario, but for the people of Newfoundland and certain other parts of the maritime provinces it means they must be content to remain outside the pale; they must be content to keep their large families in substandard housing and to go without the things they see others having in abundance.

• (4:50 p.m.)

We want justice. If there is to be a just society, we want to take part in it. We want to see an end to the pork-barrel system of politics that we in the province of Newfoundland have suffered from for 20 years, and which we now see evidenced as the first and only step this government seems able to take with any degree of assuredness.

We want to participate in the Canadian life. Our people want adequate housing. They want a fair return for their labours. They want jobs. They do not want to suffer the morally crippling effects of welfare. They want to be able to hold up their heads and earn an honest living like other citizens of Canada. I am sure my colleagues from Newfoundland, as they talk about the fisheries crisis which we have, as they talk about the failure of the Liberal government to live up to its promise to implement the 12-mile fishing limit of 1963, as they talk of hardships imposed upon our people because of the National Housing Act as it is now constituted, will re-echo my words. They will re-echo my words when they talk with feeling and experience of the real poverty that exists in this country and the crippling effects of this poverty, on the young especially. They will say, as I say now, that if there is to be a just society, let it come quickly because we want to be a part of it.

[*Translation*]

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, first of all, I am pleased to join with those who spoke before me to congratulate you for the trust put in you by parliament, a trust which, everyone agrees, you deserve to the highest degree. All hon. members can testify to that in this house.

I wish also to congratulate the mover and seconder of the address in reply to the speech from the throne (Messrs. Corbin and Marchand). It is interesting to note the particular characteristics of those two young members.

The first one, the hon. member for Madawaska-Victoria, symbolises for us that race of hardy pioneers, the Acadians. In hardship as in the struggle for survival, they always showed tenacity, courage, pride and efficiency and that is an example for all the citizens of our great country.

The second one, member of the great Amerindian family, represents a proud group also, a group which only asks to be allowed to live and progress on the vast territory of Canada. Both, their presence and their influence, make us understand the prodigious mosaic of the peoples who work together towards the development and improvement of our country.

I would be remiss if I did not mention the great hopes set by the Canadian people as a whole on the new team, the new cabinet which now governs our country. The Prime Minister (Mr. Trudeau) especially deserves the admiration of the Canadian community. We believe he is one of the most cultured Canadians.

Mr. Speaker, I am happy to address myself to you once again. I am proud to represent again, in this house, my constituents of Rimouski.

During these last few minutes, Mr. Speaker, I intend first to express to you my humble feelings about the contents of the Speech from the Throne and to deal briefly with a few problems of rather regional concern but also, in actual fact, interregional in scope.

We all remember the platform outlined by the Liberal party during the last election. Based on the fundamental principle of a just society, that platform indicated the measures to be taken in order to achieve four basic objectives: the Canadian unity, the just society, a booming economy and the efficient and reasonable role of Canada in the world.

A perusal of the Speech from the Throne shows us that the government, at the very start of its term, applies faithfully its platform which is for us a source of satisfaction. I know that our colleagues in the opposition behave like disappointed men.

We know that the Canadian people want action, efficiency, results and that the efficiency is always evidenced by tangible results. To act, a program is necessary, planning is

required. The Speech from the Throne is a program, it is a supplement to the platform of the Liberal party, of the government.

The Speech from the Throne deals with problems which will be the object of our efforts in order to find solutions. We do not doubt that this session, which is at its very beginning, will see at work an active and dynamic government. The projects which the present government intends to present and put into effect during the session will certainly continue to take shape. It must be admitted that the government takes care not to make nice promises, merely election promises, to the Canadian people.

The Speech from the Throne, in our view, truly reflects the principles and statements made by the right hon. Prime Minister during the last election. Drawn up in a spirit of restraint, it takes into account in a constructive, objective and practical way, the social and economic problems of our country. We must first be pleased by the fact that it provides for the improvement and modernization of parliamentary procedure and this will allow the hon. members—the representatives of the people—to discuss freely but rationally the legislation introduced during the last session.

For example, during the last session, several bills remained outstanding because of the chronic slowness with which the house dispatches its business. It is easy to understand why the present government must bring up again some of its bills which are important and assential to the evolution of the country.

Moreover, one can only congratulate the government on undertaking, after dealing with these essential matters, its program intended to provide the conditions necessary for the materialization of the just society of which the Prime Minister has spoken so much, and rightly. It is also not only normal but necessary that the government, having considered all aspects of the building of a just society, should establish a priority list before setting to work. Hon. members have already seen that one of the priority items is the unity of the country, and that constitutional reforms will naturally have to be suggested in order to ensure this unity. Whatever some people may say, it is clear that the government will continue to intensify the war against poverty by asking for close co-operation at all levels of government. We can therefore hope to see a greater co-ordination which will ensure the implementation of the measures taken in this respect.

[Mr. LeBlanc (Rimouski).]

• (5:00 p.m.)

We all recognize that a great step forward was taken lately as far as respect for the languages of our two main ethnical groups is concerned. The government has announced that measures will be taken in order to make sure that every citizen will be able to use his own language when dealing with any federal government agency or service.

The Speech from the Throne also refers to problems affecting Canadians in their private life, as for example regional disparities and urban development. The Economic Council of Canada recently advised that the social policy of the government should be entirely re-examined. Both regional disparities and war against poverty are, among other problems, very complex matters, as shown by world history.

It is therefore normal for the government to proceed with caution instead of resorting to hasty solutions, and we understand that. Each component of the Speech from the Throne is a reminder of the over-all picture suggested by the Prime Minister during the last election. Not only is he urging government members to action but also, it seems to me, opposition members.

Along with the majority of people who voted for this, we welcome the Speech from the Throne heartfully and we anticipate at the beginning of this session an era of dynamic evolution for the Canadian people who are proud to follow such a leader as the right hon. Prime Minister. Before concluding my remarks, Mr. Speaker, I would be greatly interested, as I mentioned at the beginning, in touching on a few regional problems, bearing in mind inter-regional interests which are part of the Canadian policy.

I am particularly interested in the regional development policy of this government, as I was in that of the previous governments, because everyone knows that the constituency of Rimouski is part of the lower St. Lawrence and Gaspé regions which have been labelled as a "pilot territory".

During the election campaign, I had the opportunity to mention different facts and ideas about these regional development projects in our region. I did not mention the name or the title ARDA; neither did I mention the title BAEQ (Eastern Quebec Development Board). The reason for this is that I was under the impression those names or designations had become somewhat taboo among people in general. People in our region, as every Canadian knows, are eager for results. They

are industrious people, people who want some action. That is why we are sometimes inclined to forget that surveys are necessary. It is obvious, however, that they must not last too long.

That is why, during the election campaign, I limited myself to speaking about our five-year program. Instead of speaking of planning, I merely spoke of our five-year program while thinking of the government program administered by our Liberal party. Like all the members, I was not ashamed to speak about it as our program, because out of $260 million to be spent in the implementation of this five-year program, $212 million will be paid out by the federal government. We had the pleasure, towards the end of April, of welcoming the present Prime Minister of Canada who came to our riding to preside over the historical signing of the agreement the premier of Quebec on behalf of the provincial government, and by the then Minister of Forestry and Rural Development for the federal government.

The program which will be implemented as the result of this agreement, interests us to the highest degree. That is why the people back home live in hope and look with confidence towards the Ottawa government.

This program is divided into eight points. To sum it up quickly, it is related first to the development, the reorganization of agriculture in our area. It also relates to the rational redevelopment of our forests as a whole, our fishing industries and to the tourist industry. It also concerns the review of wages paid to manpower in urban development, in transport, which are of prime importance in this part of Canada. This program should also provide an incentive for scientific research which is of the highest importance for the economic development of an area or a country.

Our people are mostly concerned with the role played by Ottawa, by the government of Canada, in the implementation of this program.

In view of the responsibility that the federal government assumed when it decided to spend $212 million for the implementation of that program and the rational redevelopment of our region, we all know that it is of the utmost importance that the federal government should exercise very close and adequate supervision.

It is obvious that, on account of our constitution, the implementation of that program is first of all the concern of ARDA-Quebec. But, on the other hand, everyone agrees that the part played by the provincial officials in the implementation of those objectives should be supervised, not because we lack confidence in them, their work, their research and their realizations but because we fear that their scientific or intellectual or theoretical interest in the study of those projects might lead them to forget that we expect results as quickly as possible. That is the area where our people hope that the federal government, with the Prime Minister of Canada, will play a prominent part.

• (5:10 p.m.)

One aspect of this program in particular attracts our attention, the problem of farmers. Because of the movement of rural people towards the cities—which seems to be at a point of no return,—a movement which is not particular to Canada but is worldwide—our farmers are very anxious and wonder how they will be able to earn a reasonable enough yearly income with the present evolution of our social and economic order.

I would like to draw the attention of the house and the government on two points in particular. Our farmers are specializing in the dairy industry. They have problems of quotas about which we heard so often in recent years. This quota policy is improving every day thanks to the interest taken in that matter by our governments and the Minister of Agriculture (Mr. Olson). On the other hand, since the lower St. Lawrence and Gaspé area, which is anxious to live in keeping with the Canadian development, has been selected, as I said earlier, as a special development area, the farmers would like the hon. Minister of Agriculture and the Canadian Dairy Commission, to pay a special attention to the allocation of quotas in their area.

If, because of the present legislative structures concerning those quotas, it is impossible to prevent, so to speak, the abandoned quotas from leaving the area, would it not be possible to take a special measure so that the farmer of a pilot area may get an additional quota, so that he too could play his own part in the rationalization of our own dairy industry, our farmers' specialty.

In the program implementing the federal-provincial agreement which followed the report submitted by the Eastern Quebec Development Board, there is a point concerning cattle breeding. In our area, we are not trying to compete madly with anyone; we simply want to keep what we have and to develop it. It would seem that, in our areas, a certain specialization might be developed, even if not on a very large scale, at least on a

reasonable scale, and cattle breeding would be that specialization.

For two years, we have been taking steps to develop and promote that business at home that new farm industry, if one may put it so. We encountered many difficulties. In conjunction with the further steps that I shall certainly take in favour of our people at home, I ask in particular the Minister of Agriculture to pay special attention to that problem in order to help us solve it and encourage our farmers to practise breeding rationally, for the good of our area and in the interest of interregional co-operation for which our country is renowned.

Before concluding my remarks, I wish to emphasize the problem of transportation. The district where we live is located in the eastern part of the province of Quebec, and we have air and sea transportation.

Back home, air transportation is operated by a private company. In accordance with the policy and the philosophy of the responsible members in this house which encourages private enterprise, co-operation should exist between private enterprise and government agencies. It seems to us that federal agencies which are also carrying out studies on transportation should give a special attention to private transportation in the province of Quebec, especially in our region. The Crown corporation which ensures transportation in our country is the pride of all Canadians. But we cannot understand that this air company should sometimes enter into very close competition with certain private and responsible companies working for the rational development of our country.

Mr. Speaker, I wish to thank you for having given me once more the opportunity of speaking in this house. I believe that when reading over the last Speech from the Throne, in the light of the small problems I have just raised and for which we hope a solution will be found as soon as possible, the people of our areas, particularly those of my own district, will be proud to belong to Canada. I feel confident that this difficult problem of regional disparities so often referred to in the Speech from the Throne will gradually disappear. Within a few months, we shall all find that our efforts and our work will have brought results and we shall be even more proud to live in Canada in unity, justice and prosperity.

[*English*]

Mr. George Muir (Lisgar): Mr. Speaker, as I look around this chamber I find that things have changed a great deal since the last time I had occasion to address the house. They have certainly changed, but I must add quickly that they have not changed for the better. I am reassured, however, by the sight of one familiar figure, and that is the presence in the Speaker's chair of Your Honour. I can think of no more auspicious opening for a new parliament than Your Honour's elevation to this high and important office, and I take this opportunity of offering my congratulations.

It is traditional, too, to congratulate the mover and seconder of the address in reply to the speech from the throne. I take pleasure in doing that. Having said this, perhaps I may be forgiven if I take the opportunity also of congratulating at least one of the survivors from the twenty seventh parliament. We should all be remiss in our duty if we did not recognize, for instance, the elevation of the hon. member for Medicine Hat (Mr. Olson), our new Minister of Agriculture. I congratulate him upon having received his reward for services rendered in the past. The farmers of Canada hope that since the minister comes from a farm area he will break a pattern of the past five years of Liberal rule and show some awareness of the plight of Canadian agriculture. While congratulating the new minister I must say that I should have appreciated the courtesy of being informed that he was coming to my riding on two occasions on crop inspection tours. Since both tours took him within one mile of my farm I might have been able to assist him in his look around the country.

• (5:20 p.m.)

It is not heartening for one who represents a rural constituency to note the scant attention paid to agriculture and agricultural problems in the speech from the throne. I hope that the speech was an outline of the government's legislative intentions, that it was not just a public relations gesture and that the new minister has plans and measures to bring forward to amplify in the weeks ahead what is contained in the speech. I trust that he will have more success than did his predecessor in office in convincing his cabinet colleagues that there are still farmers in Canada, that real and pressing problems face them and that there is an urgent need for government action. From my understanding, the speech from the throne gave little reassurance on that score.

For too long the Liberal party has simply refused to admit that an agricultural community exists in Canada. That party has consistently written that community off. They have ignored it. For the past five years they have been content to advance only a token agricultural policy. During the election campaign the Prime Minister pronounced a Liberal agricultural policy. The best that can be said for it is that at least that is something the former leader of the party and the former minister did not achieve. It will be interesting to see whether the policy that was enunciated on the hustings will be carried into government policy. The Pearson government solved the problems of agriculture in its own way: It had no policy. Let us hope that the present administration will not be that short-sighted or arrogant.

Since 1963, I am afraid, the Canadian farmer has become the forgotten man, the expendable man. This I believe is a result of deliberate and calculated Liberal policy, based on the fact that a larger harvest of votes is to be garnered in the urban areas and that larger financial contributions may be expected from eastern industry.

There are, however, one or two points about the Canadian farming community that the Prime Minister and his government will do well to bear in mind. Agriculture earns $1 out of every $8 that is earned by Canadian trade. On the basis of 1965 figures, the latest available, farmers pay about $1 of every $10 paid in income taxes. Disregarding taxes and personal savings, the agricultural community has more than $1.5 billion to spend annually. It spends that money roughly in the proportion of 50 per cent on services, 40 per cent on non-durable goods and 10 per cent on durable goods. These facts surely are of some importance to the rest of Canada.

While it may be true that the farm population and the number of farms have been cut in half over the past 35 years, the actual number of acres devoted to agriculture has increased substantially. The value of all Canadian agricultural products in 1966 approached $3.5 billion. The total capital value of Canadian farms in 1966 was close to $20 billion. Farming, the industry of agriculture, has certainly changed, but only in nature and not in importance. I hope this government will bear some of these facts in mind, since the speech from the throne reflected only a dim awareness of them.

In the speech I noted with particular interest the sentence concluding with the words:

> —intends to investigate immediately a number of methods for promoting greater efficiency in the production and marketing of grains, including the establishment of a national grains council.

I shall deal with the first part of that statement later. At the moment the latter part is of concern to me. In the past Liberal governments have been strong for establishing bodies with high sounding titles and sweeping terms of reference. Unfortunately, once set up those bodies have largely been ignored by the government, particularly when the advice of such bodies or their recommendations happened to be at odds with the party political interests of the moment.

The setting up of a national grains council is a most commendable step. Such a body could be of great assistance to the grain industry and the Canadian economy as a whole, provided it is not used as a niche in which to hide Liberal bagmen or defeated candidates. The grain council will be of little use to anyone if its setting up is mere window dressing, if its recommendations are sidetracked and ignored by the Liberal government, or treated lightly, as have so consistently the reports of the Economic Council of Canada over the past five years.

Another interesting part of the speech from the throne was that part dealing with plans to set up national marketing boards to deal with various types of agricultural produce. This part of the speech has a brave and progressive though not new ring. The carefully chosen wording reveals nothing of the constitutional hurdles and other problems that make the establishment of such boards difficult and long drawn out affairs.

The speech also mentions widening the credit term for farmers, increasing payments for farm stored grain, as well as other measures. In their way all these are necessary and admirable. At best they are palliatives, not cures; stop-gap measures, not lasting remedies. The Canadian agricultural community needs more from this government than gestures and token actions. It needs the assurance of the government's genuine and continuing concern. It wants full recognition and fair treatment. Surely one small corner must have been set aside for agriculture in the great, new just society.

On his inspection tour of Manitoba's sodden grain fields, the new Minister of Agriculture saw no immediate crisis. Actually, the crisis in those agricultural areas began last winter

as the result of dropping wheat sales, higher interest rates and other inflationary pressures. By allowing the Farm Improvement Loans Act to lapse the government added to the credit burden which was already made critical by rising costs and farm prices that, in some instances, are lower than they were five years ago.

I have mentioned the favourite slogan coined by the Prime Minister during this last election campaign, the just society. In the light of recent events that phrase has a hollow ring in many parts of Canada. Many people in many areas and not only in western Canada, are aware that under this government, the watchword of which is "the just society," the disastrous strike of the lakehead grain handlers was allowed to fester throughout the summer until the entire Canadian economy was infected. It was cruelly ironic to launch the just society in such an atmosphere of flagrant economic injustice.

In the light of these events, one may wonder about the professed concern of this government for regional disparities, and about their professed devotion to balanced national economic growth and development. By now we are all well aware of the Prime Minister's reluctance to intervene in labour disputes. The effects of the postal strike are still with us. One would think that the chief architect of the just society would have welcomed an opportunity such as that offered by the lakehead strike to bring justice to a great majority of Canadians who were intimately affected by the strike, but unable themselves to do anything about it. It is true that this particular strike has been settled. But why only at the 11th hour? Why was it not settled before the maximum damage had been done? Settled it was, eventually, but at what cost to the west? At what cost to Canada?

• (5:30 p.m.)

The Minister of Labour (Mr. Mackasey), according to his own accounts and those of a friendly press gallery, emerged as the tough, no-nonsense hero of the settlement. This may be true. But what farmers in the west are asking, what the merchants of the west are asking, what all the thousands upon thousands of Canadians who depend for their livelihood upon the grain trade between the lakehead and eastern ports are asking, and perhaps most important of all, what Canada's foreign wheat customers are asking, is: Where was the minister, where was the government of Canada, during the long, hot, strike-ridden summer?

[Mr. Muir (Lisgar).]

It was only last June that the Prime Minister (Mr. Trudeau) set as his goal the sale of 1,300,000,000 bushels of wheat over the next three years. I wonder whether, when he made that statement, he knew anything of conditions prevailing in the world wheat market.

I would like to recall to members some of the salient facts of the international wheat picture and Canada's place in it. At the same time I should like to point out that 60 per cent of prairie residents depend directly or indirectly upon the harvesting and sale of our grain crops and that it is a well known fact that wheat sales and prosperity go hand in hand on the prairies.

At the end of the crop year on July 31, there were 665 millions of bushels of wheat in storage. There were a further 247 million bushels of wheat still on the farms. Piling up behind this mountain of grain is a crop estimated in mid-August by the Dominion Bureau of Statistics at 649 million bushels. Since that time, private estimates have reduced this estimate to around 580 or 590 million bushels. But that is still a considerable amount of new wheat.

The storing and shipment problems have been vastly complicated by the strike at the lakehead. At its end there were an estimated 11,000 freight cars of wheat waiting to unload at the twin ports. Frost and excessive moisture have damaged the crop and made it certain that there will be a wider than normal variety of grades to be handled, not to mention problems of drying, and other problems which have to do with poor grades of wheat. Latest figures show that wheat and flour exports for the first 11 months of the last crop year were down 40 per cent from the year before—16 per cent below the ten-year average, at 291.8 million as compared to 479.3 million bushels. Sales to Russia and China are down almost 50 per cent. Shipments to Japan are off 30 per cent or more and shipments to India are down by 75 per cent. All this must be faced in conjunction with the faulty operation of the new international grains agreement and a changing and increasingly tough sales picture abroad.

The international grains agreement minimum price schedule of $1.95½ to $2.38 is up 21 cents a bushel from the old international wheat agreement. But Canada cannot get that price for her wheat in today's market. So far we have stood firm at that price, but sales have dropped off and our co-signers of the I.G.A. are either already price cutting or contemplating such action. We are tied to the

I.G.A., and it is faltering and in danger. A price war is a very real prospect. France and Australia have been accused of cutting the minimum price by the device of manipulating grading. The United States has so far stuck to its bargain with Canada under I.G.A. but is faced with a huge wheat surplus and a promise by the Secretary of Agriculture that this year's sales target is the same as last year's—750,000,000 bushels—and that he intends to sell it by hook or by crook. The United States incidentally was the only one of the four large exporters to increase shipments last crop year.

On top of all this, the customers are changing, buying patterns are changing, demands are changing. In July, Prime Minister Gandhi announced that India's aim was to abolish wheat imports by 1971. France has stolen a large part of the Japanese trade and there is a rumour she did so by pricing as much as 18 cents below the minimum. Traditional European customers have developed their own agriculture and changed tastes and buying patterns. There is a revolutionary change in the traditional wheat picture. Nothing short of revolutionary new thinking will serve this government in approaching the problem.

The too-often ignored Economic Council of Canada in its 5th annual report recently said wheat yields in Canada are low, and falling behind other countries. It noted that wheat and other cereal crops received an unduly small share of research funds and efforts. The United States puts out twice the research effort per million acres of wheat that Canada does. Until the war, every country but France showed lower per acre yields than Canada. Today, all but Australia have caught up to us, or even surpassed us.

Canada dropped from 20th to 28th place since the war among wheat producing nations in terms of yield per acre. Cereal crops account for about 25 per cent of Canada's total cash crop; fruit and vegetables for about 10 per cent. Yet about twice as much research effort is expended upon fruit and vegetables as upon cereal crops. The western farmer has demonstrated his willingness and ability to produce. What he needs is assistance through research and in marketing. Yields per acre must go up, variety to meet changing demands must be studied, selling techniques must be brought into the modern international setting. Individual farmers cannot do these things for themselves. Government must act to help them, or the whole nation will suffer. We have been too timid or too complacent in our approach to selling. This has become more pronounced in recent years. In 1957, faced with a record 904 million bushels of wheat, the Conservative government boldly broke this narrow selling technique. They took the unprecedented step of backing our foreign sales campaign with the use of government credits. It was criticized. It was deplored. But it was necessary—and it worked. Today it is all we really have to sell with.

The wheat was sold in quantity then. The wheat was moved. True, the western farmer benefitted greatly, but then so did the whole of Canada. Selling was so brisk that by 1962-63 the Wheat Board was forced to slow down in order to maintain an adequate minimum surplus.

The former minister of agriculture used to say that the Liberals sold more wheat in recent years than the Conservatives ever did. He neglected to say, however, that it was sold under pioneering sales techniques and credit arrangements instituted by the former Conservative government. A lot of it was merely delivery of wheat already sold in the early 'sixties. In the 1962-63 crop year, Canadian wheat sales under the I.W.A.—exclusive of sales to communist nations—had reached 41 per cent of the export trade as compared to 23 per cent in the United States. Last year in the United States this proportion had risen to 43 per cent. In Canada it dropped to 27 per cent. All the devices to which Liberal governments have resorted in recent years, including the guaranteed floor price, which did not in itself sell any wheat, will be of little use if the wheat remains unsold.

• (5:40 p.m.)

This is where bold, new action is most needed. We have to move the wheat and we must sell it. We need new determination, new methods, new efforts, and I hope we have new ministers who will make new efforts. But this appears to be unlikely, in the face of the traditional Liberal apathy toward things agricultural. Under them the agricultural community has had no priority and, so far as I can see, it has none today. They talk about regional equality and economic justice but this seems to apply only to those areas that consistently return Liberal members to parliament. Certainly the maritime provinces and the prairies have had short shrift from Liberal governments up to the present day.

There is another area of agriculture, Mr. Speaker, that has suffered as much recently

from government action as from government apathy. It is a comparatively new industry and one that is vital to my riding of Lisgar. The oil seed industry has been hard hit in recent months by the free flow of cheaper foreign material into Canada. I am one who feels the Canadian farmer was sacrificed to industry in the recent Kennedy round negotiations at Geneva, and was used to buy preference for manufacturing in the agreement subsequently signed by our government. Consider only the plight of the oil seed growers I am talking about.

On September 3 the Altona, Manitoba, crushing plant told its sunflower seed growers that the price of sunflower seed oil had not improved since last May, that it had remained at about nine cents per pound as compared with the average price of about 14½ cents over the last ten years. The blame for this condition was placed squarely on the cheap free flow of sunflower seed oil into Canada from eastern European growers, mainly the U.S.S.R. and its satellites.

The report stated that a brief, which was supported by many seed crushing plants and by the rapeseed Growers Association, sent to the federal government had offered the full co-operation of the vegetable oil industry in working out the pressing problems of the industry. To quote the report:

> To my knowledge the industry has received no response from the government as to their intentions regarding our requests.

Here again is glaring proof of the government's indifference to the problems plaguing various sectors of the agricultural industry.

Finally, Mr. Speaker, I would like to direct the attention of the house to a question of particular importance to my area, although I believe it to be equally important to the province of Manitoba and to the country as a whole. I mention it because I received a faint glimmer of hope from the reference in the speech from the throne to the government's concern about the threat of growing pollution of our water supplies.

The question I refer to is known as the Pembina river basin development. It is an imaginative, necessary and quite practical plan to ensure industrial and agricultural expansion, and economic prosperity for a large tract of land both within Canada and across the border in the United States. The Pembina river system lies in the extreme south of Manitoba and includes territory across the border in North Dakota. For this reason, when the idea was first advanced it was passed as a reference to the International Joint Commission for an opinion. That was done back in 1962. By 1965 public hearings were held in the area by the International Joint Commission, and on October 6, 1967 that body reported favourably upon the development scheme to the Canadian and United States governments.

To Manitoba, as to any other region, water is vital. It becomes more so as the population increases, and as industrial and agricultural development increases. Manitoba is abundantly supplied with water, but unfortunately a great deal of the supply is in the more remote and inaccessible northern part. This makes the control and conservation of water available in other regions, particularly in the south, a matter of utmost urgency. This is even more urgent when those areas are the ones containing the maximum population, and industrial and agricultural potential. Such an area is the Pembina river district.

The great problem, one that increases as development increases, is that the natural supply varies widely in rate and volume with the seasons, and over a cycle of years. Left in its natural state the water supply of southern Manitoba varies from over abundance in the spring to near drought in fall and winter. Over a period of years the area may experience, unpredictably, abnormal supplies of water or practically none at all.

This makes it essential to take steps to ensure a steadier, more reliable year-round supply, year in and year out, from our natural water resources. As with all resources, the key is control and conservation. It is no exaggeration to say that water is the life blood of this important segment of the Canadian economy. Without it agriculture might struggle along on a hit or miss basis. No industry would be developed. The population would progressively dwindle as young men and women were driven elsewhere in search of work, and what could be a rich, flourishing and valuable part of the Canadian economy and of Canada's social fabric would be lost.

When the matter was referred to the International Joint Commission it was asked to look into and recommend on three points, domestic water supply and sanitation, control of floods, and irrigation. In the spring of 1965 the commission reported that they had three plans that were "practicable, economically feasible and of mutual advantage to both countries." These plans were found to be sound on the basis of the three main points

that the commission had been asked to consider, supply and sanitation, flood control, and irrigation.

Maurice Western, in the Winnipeg *Free Press* of May 15, 1965, wrote in part:

> The most urgent needs of the lower basin are protection from floods and, paradoxically, the provision of an adequate water supply for urban, industrial and agricultural purposes.

The International Joint Commission study, on which public hearings were held in June, 1965 said in one passage:

> If conditions are left as they are, the population of the basin can be expected to continue to gradually decrease . . . lack of dependable water supplies has retarded both industrial and urban growth.

I have used these quotations to emphasize a point because it is the most important point about this development, one that has entirely escaped the minister responsible in the federal government, or perhaps been deliberately avoided by him. The point is that the Pembina development is not primarily designed as an irrigation measure or as a measure to help agriculture alone. It is a measure to stimulate industrial and social development for a very large area, an area whose potential could only bring great benefits far beyond its own region and even far beyond the province.

The complaint of the people of the region, and my chief complaint today, is that this project, already studied exhaustively, and approved by a body representing two national governments, has been callously pigeonholed by a new minister without even the courtesy of a full explanation. In Winnipeg recently the Minister of Industry, Trade and Commerce (Mr. Pepin) dismissed the whole Pembina river development as "a low priority" plan whose chief value lay purely in its role as an irrigation work.

Mr. Speaker: Order, please. I have to interrupt the hon. member since his time has expired, unless he has the leave of the house to continue beyond that time. Is this agreed?

Some hon. Members: Agreed.

Mr. Muir (Lisgar): Thank you, Mr. Speaker.

The Pembina development has been assigned the same low priority by the government as has Canadian agriculture and the Canadian west. In the interests of justice, of economic self-interest and of national development, I urge the government, and the Minister of Energy, Mines and Resources (Mr. Greene) in particular, to take another look at this international development project, and to look at it in its full implications, not simply from one narrow point of view. I trust, Mr. Speaker, that my people may hope for some crumbs of justice from the so-called just society.

• (5:50 p.m.)

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, first of all I wish to join with those who have preceded me in extending to you, sir, something more than merely a perfunctory congratulation on your re-election to the high office as Speaker of this house. During my comparatively short experience here I have come to appreciate the dignity, the capacity and the ability with which you have discharged the duties of your very high office. At the same time I wish to extend to Mr. Deputy Speaker my congratulations on his appointment, and to wish him well. He is comparatively young in office and I am confident that he will improve with age. I think we can expect also that he will preside over the proceedings of this assembly with dignity.

I should like also to congratulate the mover and the seconder of the address in reply to the speech from the throne. Both gentlemen have discharged with eloquence the role assigned them in this traditional debate. This speaks well of their ability to perform the duties they will be called upon to perform as members of the house.

In the relatively short time at my disposal as succinctly and as clearly as I can I should like to place before the government and before the house the economic conditions of the Atlantic area today, and of course with particular reference to the economic conditions as we find them in my province. I do this in the hope that the government will act just as quickly as is humanly possible to correct the regional disparity which now exists between this area and the rest of Canada.

We in the Atlantic provinces of course wish to make the fullest possible contribution to Canada's development, but we also want to participate in that development. As the Economic Council of Canada so very correctly pointed out just a short time ago, the ultimate purpose of our economic and social goals must be to provide all Canadians with access to a higher material standard of living and a higher quality of life. That is the recommendation of the Economic Council of Canada.

Therefore I say it is most important to recognize that if all Canadians are to share in higher living standards there must be a strong and stable over-all growth. Nothing else will satisfy. In the past six or seven years

there has been a sustained economic growth in Canada as a whole. I believe it can be correctly stated that the economy of Canada has been expanding over the last five or six years without too many reversals. But that has not been the case in the Atlantic provinces.

I should like to take this opportunity to place on the record some very tangible proof that our economy is not expanding in ratio with the expansion taking place all across this country. First of all, if we look at total personal income, we find that in Canada as a whole between the years 1961 and 1966 personal income increased by 50.3 per cent. That is an increase of 50.3 per cent in Canada as a whole. In the Atlantic region however this increase was only 42.7 per cent, almost 8 per cent less than the national average.

In 1966 the personal income in the Atlantic provinces averaged only $1,480. What was the Canadian average? It was $2,134. In other words, the average personal income in the Atlantic region during that period has been only 69.4 per cent of the Canadian average. I am sure all hon. members of this house will recognize that this is not as it should be.

Perhaps before I begin to become too involved in figures I might be permitted to call it six o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. McQuaid: Mr. Speaker, when the house rose at six o'clock I was attempting to point out the economic disparity which exists between the Atlantic provinces and the other areas of Canada. As proof of this disparity I mentioned the difference between the per capita income in the Atlantic area and the rest of Canada. Let me suggest as a very clear example of this that in my own province of Prince Edward Island the average per capita income is only $1,382. That is the second lowest of any province in Canada, and this is only 64.8 per cent of the national average.

Let us look at the unemployment which exists in the Atlantic area as compared with the rest of Canada. Our unemployment rate of 7.9 per cent continues to be excessively high, when compared with the 5.3 per cent in Canada as a whole. This is the situation in spite of one of the greatest periods of expansion in Canadian history. As evidence that our unemployment rate continues to remain unacceptably high, I would point to the fact that in 1965, for example, the unemployment insurance commission paid $52,500,000 in unemployment insurance claims in the Atlantic provinces. Our rate of population growth is also very far behind that of the rest of Canada. Between 1961 and 1966 the population of the Atlantic provinces increased by only 0.8 per cent per year compared with almost 2 per cent per year for Canada as a whole.

Migration from the area has been a major factor in this small regional increase. This migration comes as no surprise, when we consider the per capita income gap between our region and Canada as a whole. When one considers that large gap, there is naturally a tendency to move from the Atlantic provinces in search of better opportunities elsewhere. The maritime provinces have been losing population since before confederation. Since 1881, with the exception of one ten year period between 1931 and 1941, migration has never been less than 75,000 people every ten years. Since 1961 we have been losing more than 20,000 people per year. If this present trend continues we will have lost about 200,000 people between 1961 and 1971.

Migration on this scale must be examined very carefully, because if it continues at this present high rate we may very well have less than the labour force required to produce the goods and services necessary to provide a level of income sufficient to prevent a widening of the present income gap between our people and those in the rest of Canada.

This trend has left us with a comparatively small number of people in what we like to call the productive age group, that group between 18 and 64 years of age. They are the ones who are most likely to be in the labour force and they, of course, are the ones that are most likely to leave when the income is not sufficient to sustain them. About 30 per cent of our total population falls within the less than 15 year age group, and 55 per cent falls within the productive age group, as compared to the Canadian average of 58 per cent.

I think this situation was pointed out very well some years ago in a report known as the Economic History of the Atlantic provinces, from which I should like to quote:

> For years, the movement of population has been out of rather than into the maritime provinces with the result that the population is heavily weighted on the side of the very old and the very young, leaving the number in the now productive age

group relatively lower than in other parts of the Dominion; and this, in itself, other things being equal, lowers the average income.

There is one more important implication to this problem of migration so far as the government is concerned. If the number of taxpayers in proportion to the population is relatively low, and it is on this basis that we in the Atlantic area legitimately agree that we are entitled to more help from the central government here in Ottawa, not by way of handouts and not necessarily by the transfer of income to our region but rather through the generation of income within the area. That is what we want, something that will generate income within this area.

I am not particularly knowledgeable about the financial condition of the provinces in the Atlantic region, other than my own, but I do know about the situation in Prince Edward Island. I should like at this time to place on the record some figures which will indicate the serious financial position in which the province of Prince Edward Island finds itself today. We have a population of only 110,000 people, with a per capita income which is the second lowest of any province in Canada. Naturally, therefore, with such a low per capita income our people are not able to contribute to the treasury by way of taxes to the same extent as people living in other provinces in Canada who have higher incomes. However, as citizens of Canada we are entitled to enjoy the same essential services enjoyed by people living in other provinces.

Our provincial government is doing its best to provide these services, but in attempting to do so it has brought the province almost to the brink of bankruptcy. On March 31, 1968 the net debt of the province was $64,490,000, and it is estimated that by March 31, 1969 this debt will be $65,506,000. This is a per capita debt of $595, the highest per capita debt of any province in Canada. This is a province which is not rich in natural resources but is dependant almost entirely on two primary industries, fishing and farming.

In addition to that net debt of $65,506,000 the government has contingency liabilities of $15,500,000 making a total of $81 million or a per capita debt of almost $737. Debt charges alone and this will give an idea of how serious the situation is—amount to $7,817,000 or almost $22,000 per day.

Do hon. members know how much in taxes the taxpayers of Prince Edward Island are able to contribute to the treasury. One member of the provincial government suggested the other day that the saturation point had been reached. This year we will collect through taxes only $14,788,000. It is going to cost $7,800,000 just to pay the interest on what we owe. How are we possibly going to finance the departments of government? This is only a small province, but education alone requires an expenditure of $12 million, health services require the expenditure of $9 million and highway maintenance, capital and other expenditures amount to $9 million. This is only some of the money we must have in order to provide our people, as citizens af this country, with the essential services to which they are entitled.

Something must be done to close this economic gap which now exists between the Atlantic area and other parts of Canada. Some action must be taken by this government immediately. I would make one suggestion as to how we might help close this gap, and to do so would be of tremendous assistance to the province of Prince Edward Island. The government should immediately commence construction of the Northumberland strait crossing. This is something that has been definitely promised to us by the Liberal government, but at the present time there seems to be some uncertainty as to whether the government intends to go ahead with the project. There seems to be something hollow about the statement that the project is to go ahead, something disquieting about the mumblings that there will be delays in starting the project. Let me remind hon. members that this causeway is not a gift to Prince Edward Island. Our gap in communications compared with the rest of Canada needs to be effectively closed, as guaranteed by our entry into confederation.

• (8:10 p.m.)

In 1965, very shortly before the last general election, the then prime minister announced that the causeway would be built. I quote from a newspaper report of July 8, 1965:

> Prime Minister Pearson announced today that tenders will be called later this year for a combined tunnel, bridge and causeway between New Brunswick and Prince Edward Island. Construction is expected to start next April, and Mr. Pearson said at a press conference he hopes it will be completed in late 1970.

That, I suggest, is a definite commitment by the government to go ahead with this project. They immediately sent the then minister of mines, Mr. MacNaught, to New Brunswick, put a hard hat on him, put him on a bulldozer and he turned the first sod. However, Mr.

Speaker, I suggest that he drove the bulldozer too fast, because he turned the first sod that day, and perhaps the last.

Then an election was drawing closer and the government decided they would definitely convince the people of Prince Edward Island that the causeway would be built. They sent to the island a man who was at that time the champion of Prince Edward Island, the man tagged as the best friend the island ever had, the then minister of transport, Mr. Pickersgill. Hon. members will remember him. When he was in opposition he was up and down in his seat like a jack-in-the-box, popping questions to the government as to when they would start construction of the causeway. Perpendicular Jack; he was up more than down. He told the people of the island that the causeway would be started. He said, "My heart bleeds for the people of Prince Edward Island." Wasn't that sad. The poor old fellow must have bled to death, because there was an election that year, the Liberals returned no members from Prince Edward Island and we heard no more from him afterwards.

Then they sent over the then secretary of state for external affairs. I suggest that he made history when he came to the province, because for the first time in a long political career he really gave an answer to a question. Somebody asked him if the government were really going to build the causeway, and he said yes, the causeway would be built. Then we had the election. No Liberal members were returned from Prince Edward Island in the 1965 election, and the causeway was apparently forgotten until we again came close to an election. I have here some statements that I should like to place on the record. I think these statements should convince the members of the government that each and every one of them is committed to the construction of this project.

On October 5, 1967, the present Minister of Justice (Mr. Turner) said:

> The strait crossing will become a reality because the Ottawa government is committed to it.

What more concrete statement than that do you want? The then minister of finance, the hon. member for Eglinton (Mr. Sharp) said on July 12, 1967:

> What surprises me more than anything is the fact that so many islanders seem to feel that the Northumberland strait crossing will never be built.

He gave the reassurance that the crossing not only would be built but, in his own words, would be built in accordance with the original schedule that was announced, namely that the crossing would be completed by not later than 1970. He told Prince Edward Islanders that face to face, right in their own province.

The then minister of public works said on May 31, 1967, as reported in *Hansard* at page 779:

> I would like to conclude by reasserting the government's intention to continue with this project. I might add that the causeway approach road on Prince Edward Island will soon be completed, and tenders for construction of a highway interchange at Albany, P.E.I., are expected to be called this summer.

These, I suggest, are very definite commitments on the part of this government to proceed with this great project. Now we have the era of the new society, the just society. This was going to be "it" for sure. Surely now, with a just society, we would get a causeway. They took the Prime Minister (Mr. Trudeau) over, they had a pipe band, the pipers played "Road to the Isles", the Grits cheered, and this was going to be "it"; there would be no delays and we would have the causeway. So far nothing has been done. I think the Prime Minister said this was going to be a jumping parliament. I have not seen much jumping yet.

Some hon. Members: Hear, hear.

Mr. McQuaid: The only jumping I have seen is the Liberals jumping in and out of the pork barrel. I suggest that if they really want to jump, they had better jump on their own band wagon and give the people of Prince Edward Island the promised causeway, so that the economic gap between our province and the rest of Canada can be at least partially closed.

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

Mr. McQuaid: Yes.

Mr. Smerchanski: Is it true that the people employed in the ferry industry between Prince Edward Island and the mainland are not desirous of the causeway because it will put them out of employment?

Mr. McQuaid: They of course represent a very small proportion of the people in the province. We would hope the government would make the same arrangement with respect to these people as they made for the people who were living in the Canso area when the Canso causeway was completed,

and that some alternate employment would be provided.

An hon. Member: The hon. member from the west does not know where Canso is.

• (8:20 p.m.)

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I at the outset congratulate Your Honour on reappointment to your office. May I also offer my congratulations to the Minister of Agriculture (Mr. Olson) on his new duties. I do not see him in his seat at the moment. I am sorry that my companion member for Saskatoon-Humboldt (Mr. Lang) is not present, because I very much wanted to say to him that I hope that, with me, he will be able to forward the business of Canada, which I am sure is the main purpose for our being here.

I think it is well that the Minister of Agriculture (Mr. Olson) went to western Canada recently and looked at the situation which exists there, particularly in southern Manitoba and southern Saskatchewan where we were severely plagued by bad weather during the harvest season. As he quite properly noted, it would be a week or two before we can properly assess the situation. Weather has to take its course, and all of us sincerely hope that we will get the fine weather which is needed to enable these farmers to harvest their crops. As the minister observed, and as I did when I drove through that area, the ground was so wet at that time that one did not see much harvest machinery in operation. I am sure that if these conditions continue, the minister will come to the house with some recommendations on what might be undertaken. However, these are natural factors with which farmers must live. I am sure the minister has learned this during his lifetime, as indeed have I.

What we are concerned with here are the things we can do ourselves and which the government can do to improve farming conditions. We are concerned about the rate of unemployment in the cities and in the countryside; we are concerned about the levels of farm income and about the interest rates which farmers must pay for the loans they must have to continue their operation, just as also do the city dwellers to run their businesses and to build and maintain their houses. We are concerned about grain sales and about prices which affect not only the farmers but also the city dwellers. In short, what we are concerned about is the ability of the individual to survive in the economic jungle of this society and to make a place for himself and a living for his family. It is well that the government is also concerned about it, as was made evident in the following statement from the throne speech:

> My government is deeply concerned to provide and to ensure increased justice, dignity and recognition to the individual, particularly in an age which is characterized by large governments, industrial automation, social regimentation and old-fashioned laws.

I do not know much about old fashioned laws. It seems to me that most of them are old fashioned, because we live in a society which is governed by common law developed through the centuries. However, if we can protect the rights of the individual and if we can enhance the living standards and the quality of life of the individual, this is what we should do. I doubt we can do it, however, by cancelling the winter works program. Very shortly after my election, and before coming to Ottawa for this session I received a number of resolutions from the city of Saskatoon, roughly half of which is in my constituency, and the town of Biggar, which is a small town serving the C.N.R. and the farmers in the surrounding areas. Both of these communities asked that the winter works program be continued and that it be carefully discussed.

As a result of one of those wires, I sought and had a meeting with the mayor of Saskatoon because frankly I felt I needed more information. He explained to me the benefits of the winter works program, especially in relieving unemployment, and the way in which the city and the surrounding communities were able effectively to use it. Very shortly thereafter and before this parliament met—and this may or may not have been significant—the winter works program was cancelled. In the coming winter we will feel the effect of that decision in the communities I mentioned. These communities are carrying a heavy load. The potash industry around Saskatoon is steadily developing, and as it employs a greater number of men it will throw a greater load on the surrounding communities on which it depends for services and for housing for the people who work in that industry. In effect, the city and towns such as Vanscoy, Delisle and Asquith have become the dormitories of the potash industry. These communities must house the people, must educate their children and must provide all the amenities of living required by a fast growing community.

Saskatoon is faced with the installation of a $6 million sewage system to control pollution and to dispose of the wastes of a great city. It seems to me that under these circumstances the government should be moving forward, not backward, in helping such urban communities. As is described by the Economic Council of Canada, these communities must also take care of the manpower surplus which comes from the farms. People are moving away from farms and are swelling our urban centres.

In the last year or 18 months we have been faced with rapidly increasing interest rates which have not only affected the cities and small communities but also our farms. As a result, in the last eight months or so farmers have simply not been able to get farm improvement loans. These loans are essential to the well-being of our farmers because this is the method they have used for keeping and maintaining adequate machinery on their farms. Without such a loans program, farmers will not be able to keep the kind and the number of machines they need to run their farms efficiently. I know because I tried it myself.

Farmers who have gone to banks asking for farm improvement loans have been refused them. They have been told they could have all the money they wanted but had to pay the current interest rate, which may be as high as 7½ or 8 per cent. We were told in the throne speech that some provision will be made to alleviate the situation. However, I hope that as a result of such a provision the interest rates will not be raised and that we will continue the same stable interest rates on farm improvement loans which will enable us to obtain the money we need for farming. The Economic Council of Canada has said that it is essential to expand the farming community by increasing efficiency in production. One of the things which will be needed is easily available capital at rates which the community can afford.

• (8:30 p.m.)

From the information I have received, in a good many instances the story connected with the Farm Credit Corporation is not much better in respect of the amount of money lent than is the case with farm improvement loans. I have received a letter from a farmer in west central Saskatchewan whose son wanted to buy a quarter section of land. He said he approached the Farm Credit Corporation and was told he would have to mortgage two sections of land, including the home quarter and buildings, and as well agree that the son would have use of a complete line of machinery at no cost to him. This man suggested that instead of such a drastic step he would allow the corporation to hold title to one half section, but the offer was flatly refused. As a result a land company, with finances from outside the provinces, bought the land. I am using this man's experience only to illustrate the situation. He stated that this is a common occurrence throughout the prairies. Here a man is asked, in order that his son may buy a quarter section, to mortgage eight quarter sections or put under mortgage the total land assets he has acquired in probably a lifetime of work.

This man's experience is typical of the assistance we are offering farmers. I suggest that if this sort of policy is continued we will fall far short of the increased productivity and efficiency about which the economic council is talking. It is the practice, and it is the tradition of our farm lending agencies to serve the farmer, not to exploit him. When security of this type is sought, it falls little short of exploitation. I hope that when these policies are reviewed we will correct this sort of thing and that we will maintain a stable interest rate. If necessary, I hope we will subsidize the rate of interest.

The Prime Minister (Mr. Trudeau) said that there must be priorities. Well, all of us who are mature know that there are always priorities. We live with them every day of our lives on the farm. We paint the house or we buy another machine. We make a choice. In this society, we are going to have to make a choice. If we are going to have enough houses in the city of Saskatoon, and if we are going to have enough machinery on these farms, we shall have to maintain an interest rate that will make these things possible.

The Economic Council of Canada suggests that in the last decade the prices of farm products have increased much less than the prices of other products. I quote from its report:

> With slow growth in demand for farm products, prices of farm products have increased much less than prices of other goods and services over the past two decades. This has meant that the prices of the goods sold by farmers have, on the average, increased less rapidly than the prices of goods purchased by farmers. And this has meant, in turn, that part of the income generating benefits arising from the rapid rate of growth of agricultural productivity have been shifted from the farm sector to other sectors of the economy.

The short term for that situation is the cost-price squeeze. We have been living with

it for a long time in the farming community. The situation has to be corrected by applying price supports and by giving other advantages to the farm sector if we are going to have a healthy agricultural economy. There is no doubt in my mind, Mr. Speaker, that if we are to continue with the volume of wheat sales we have and the prices we have had in the last year, we will be in serious economic difficulties in western Canada.

This morning one speaker said that farm machinery sales had dropped 30 per cent in one province. This is the first sign of difficulty. This chapter in the report of the Economic Council of Canada from which I have been quoting also focuses on the need for increased research in agriculture. The economic council believes this to be a matter of great importance. It says that the amount of research conducted, especially in the field of cereal grain, has lagged far behind. Certainly, it has. The last time I checked we had one full-time man doing wheat research in the province of Saskatchewan. We put "the wheat province" on our licence plates, but we devote the time of only one man to the task of getting the best varieties that can be grown in our province. As I said, if we are going to measure up in this field, then we have to increase our wheat sales. I note the government has committed itself to wheat sales amounting to 1.3 billion bushels in the next three years. This will be a little better than 400 million bushels of sales per year, which would be about 20 per cent less than the normal production.

If you really want to calculate some priorities, Mr. Speaker, try to calculate them if you are running a wheat farm on a six bushel quota. This really takes some priorities. I wanted to say something about the proposed national grain council. While I do not like to be overly critical about a program that is proposed, because I think we need all the programs we can get to assist us, I did check with two national farm organizations, the National Farmers Union and the head office of the Canadian Federation of Agriculture. Both of these organizations informed me they had not been consulted about the formation of such a council and had not yet received any invitation to join. I do not place too much emphasis on the fact that an invitation has not been received because the invitations may not yet have been sent out. However, I do consider it important that these organizations have not been consulted. It is almost a tradition by now in western Canada that when we change our approach to wheat marketing or change the marketing structure, we do consult thoroughly with farm organizations. I think it is important. We face some pretty important decisions in western Canada in the field of grain.

• (8:40 p.m.)

The international grains agreement has come under fire or pressure. News reports have been telling us this ever since it was signed. Negotiations were no sooner completed in Geneva when price cutting began. The United States cut prices, and on that account we were in the doldrums all last winter. According to news reports we are still in the same position. Many people are advocating solutions. We are told by all kinds of people to do this, that or the other, whereas we really need a thorough examination of our entire position.

To date we have failed to use effectively the facilities which we have, such as the excellent laboratory facilities of the Board of Grain Commissioners. We could have used those jointly with the Canadian Wheat Board in an effective selling and promotional campaign such as our competitors make use of. We need a more effective staff overseas and we must know to a greater extent what our competitors and purchasers are doing.

Somebody out west told me that we have no agricultural attaché in Moscow. I did not believe this until I came down here and checked into it. One would think that our government would take the step of appointing such an attaché so that we might be informed adequately about the volume of grain production in Russia, about weather conditions, the varieties and qualities of grain being grown, and so on. The Wheat Board has two agencies overseas. I do not want to be too critical, Mr. Speaker, but we ought to have a more effective promotional and selling campaign overseas than we have.

Some hon. Members: Hear, hear.

Mr. Gleave: And if the minister needs counsel to tell him that—well, that is up to the government.

We need a more effective research program. In its report the economic council tells us that we are spending in research far and away less than one of our competitors, the United States. I have talked to people in Saskatchewan, at the university and experimental station level, and I have found that the best way to describe our research program is

that it is just plainly inadequate. We should correct that situation.

I notice that a news report of September 12, I believe it was, said that grain industry men were to be called to a meeting to give the views of the grain industry. I hope that when those ministers responsible for the grain industry call the leaders of the industry to the meeting they will remember that the farmers are part of that grain industry. The farmer's interests and needs must be taken care of and his voice must be heard.

I conclude with a plea to this government to consider seriously the needs of the farmer and the predicament in which he finds himself. The farms of Canada have an immense productivity; but that productivity has not yet been fully developed. If our productivity is to be fully utilized and if our farm areas are to be fully developed then, surely it will be because it is worth while for people to stay in farming as a vocation and make it a way of life.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, it is a great honour for me today to be called upon to express before this historic house the thoughts, wishes, problems and aspirations of the 67,000 citizens of the riding of Lotbinière, which is not necessarily behind the other ridings, even though, contrary to all the expert predictions, the majority of its people voted for the Ralliement Créditiste. The honour which has been given to me of speaking on the address in reply to the Speech from the Throne is accompanied by the great joy of being able to sit by the side of a great man who has remained true to himself and who fights sincerely to defend convictions more important to him than any material comfort. I speak of the leader of the Ralliement Créditiste, the hon. member for Témiscamingue (Mr. Caouette).

Some hon. Members: Hear, hear.

Mr. Fortin: Mr. Speaker, I cannot begin this first short speech without greeting the Deputy Speaker and the Deputy chairman of Committees, who will, I am sure, show themselves to be most helpful and understanding fowards a new member such as I.

Finally, I should like to greet all my new colleagues from all parties, to whom I extend my co-operation at any time for the advancement and welfare of our people and democratic institutions.

It is not easy to comment on a Speech from the Throne such as the one now before us, as it compels us to go into deep thoughts the like of which are not found in it.

Mention was made, in the Speech from the Throne, of an elaborate legislation in terms of priorities already established. I should like to say, at this time, that the government should take into consideration the suggestions made by the opposition as regards the establishment of priorities. Otherwise, the situation would be very serious. For one thing, Parliament would lose its meaning. For another, if you consider carefully the Speech from the Throne, you soon realize that almost all the priorities stressed by this government are minor ones and relegate the individual to a place of minor importance.

We are told about 47 bills, but the main point does not lie there, and that is putting the Canadian dollar at the service of human beings. As long as money runs the world and crushes the individual, our society will reek with injustice, dishonesty, crime and despair to those who cannot rest at night without worrying about the next day. And there are hundreds of those people in each one of our ridings.

• (8:50 p.m.)

Since I have become a member of this new parliament, I have become acquainted with the reports of royal commissions of enquiry on banks, on government organization, on taxation, including those of the Economic Council of Canada and more specifically the last one.

If, on the one hand, one goes deeply into those reports, which are based on facts, on consultations, hearings and briefs and, on the other hand, one sees the inhuman means our fellow citizens resort to in order to survive and to live, as a young and new member, one could expect a positive Speech from the Throne, that would dig deep and invite the members of this house to tackle the roots of the real problems.

But what do we see?

We are invited in the Speech from the Throne to legislate on some 47 bills, most of them dealing with interests which are very limited geographically, socially and economically.

Of course the debate now going on can only be superficial—just like the speech itself by the way—since hon. members do not know what the various bills outlined in the Speech from the Throne contain or mean because everything is kept secret. That Speech from

the Throne reminds me of a man who wants to give his little family a proper home but whose hopes are soon thwarted because the monetary tool is either missing or too expensive; he must therefore be satisfied to dream and wait, which is what the government is doing. As I said a little earlier, we will be asked to consider 47 bills. But what good will they do? Will a governing principle preside over their drafting?

The Prime Minister, with his dream of a just society, will claim that they will be, but it is undeniable that his economic philosophy is based on conservatism, and not on progress and modernism.

At this point, I now refer to the Speech from the Throne where we can read:

> We have taken and are taking effective strides toward economic conservation through progressively better use of our resources to achieve a high and long-term productivity.

By so doing, this government is advocating a doctrine of non participation in economic life.

There is a constant theme, a leitmotiv as it were, but this perfectly conceived refrain has a strange sound of status quo. And that is distressing.

I thought that a majority government would not be afraid of putting through reforms in depth and advocating a modern and progressive legislative philosophy.

I say this because as a Social Crediter I am convinced that the greatest problem in Canada is to connect fittingly three things: firstly, economic efficiency, secondly, social justice and thirdly, individual freedom.

Now, to achieve economic efficiency, social justice and individual freedom, the present financial institutions and others must be set at the pace of the human being and the community, because, in fact, institutions exist to serve those who want them, that is individuals. Let us not forget that unsuitable institutions, overtaken by technological development will certainly impair economic efficiency, in a context of social justice and individual freedom.

I would like the right hon. Prime Minister (Mr. Trudeau) to define his just society in unequivocal terms; I would like him to tell this house what he feels it is in reality in relation to people and things, within our Canadian society of 1968. I should like him to show me the exact relation he sees between the 47 bills he proposes and announces in the Speech from the Throne and his just society.

In my opinion, the Speech from the Throne and the bills are one thing and the just society of the hon. Prime Minister is another.

We know full well, Mr. Speaker, that social and political conditions derive from and depend largely upon the economy. When the necessary economic controls are missing or blocked by inadequate or too conservative measures, any social, political or even constitutional legislation, becomes practically impracticable or inapplicable due to the restrictions imposed by the economy.

This is so true that the government recognizes it in the Speech from the Throne where it says:

> In the complexities of modern society, the effective programs take time to develop and more time to implement. At all stages, they require financial and intellectual resources which are not unlimited and must be used with careful planning and the hard judgment of priorities.

Mr. Speaker, the economic, social, and political concepts are closely related and it is most urgent to restore our scale of values. We must give back to the individual the place which is rightly his, in other words we must put the economic concept and the results which follow to the service of the human being.

We must equip ourselves, as soon as possible, with the necessary economic controls so that we may, as administrators and legislators, fulfil our duties in an appropriate manner on the one hand and in conformity with the wishes of the people on the other hand.

Economic controls are a means and not an end, as is still believed by some of us in this house. They are tools provided to adjust, rectify, step up, restrain not the human being but the whole system or the national economic complex. The legislation submitted to us in the Speech from the Throne is silent about all those economic controls. It is rather obsolete, out-of-date, and inefficient. Frankly, I expected a modern, dynamic, balanced and mainly human legislation which would emphasize consumption and the consumer, in our automated world, and I confess that I am very disappointed.

Since in our modern economy machine takes on gradually the duties of man, the economy, directed by administrators and lawmakers, must be more and more man-oriented. In this field, the government must not shirk its prime and vital responsibilities for the welfare of the nation it administers.

For instance, the idea which gave birth to the Bank of Canada is now outmoded and

obsolete. In our system of overwhelming capitalism, where the rich get richer at the expense of the poor and where only big financiers can indulge in capitalization, the role of the Bank of Canada has become secondary and we even tend to wonder whether or not it still exists. Its duties are vague, its members are kept in the background, its administration is concealed, its achievements are unknown, and its links with the government of the Canadian nation are illusory.

Yet the Bank of Canada could be one of the most important levers of the economy if only the right decision was taken. But the governments which have followed one another for almost a hundred years have been unable to pull themselves together in order to make such a decision.

Politics must not be the art of making promises but rather the art of doing what is possible. What really matters is policies translated into facts. If the just society is to exist, it will have to be translated into facts, because people judge from facts.

I note that the Speech from the Throne lacks a philosophy of action looking towards the future.

The time for wishes is past; now is the time for determination and concrete action. Governments and parliamentarians should have taken, ages ago, the necessary steps to insure the defence and the promotion of consumers.

The problem of production and of productivity is solved once and for all. Considered in itself, our productivity is unlimited. We are on the wrong track, Mr. Speaker, if we believe the speech from the throne that suggests that the most serious economic problem in Canada is that of production. I declare here, in this house, that the major problem is related to the consumption of products and resources of our country and of other countries. The distribution of resources among consumers: this is the basic problem that is facing us and all Canadians expect us to come up with a fool-proof solution.

That is why several thousands of persons have voted for the Ralliement créditiste during the last election!

The Social credit did not die as some people predicted; it is very much alive and kicking, because people increasingly understand what the problem is.

• (9:00 p.m.)

Something one should never forget and which is at the root of this problem is the fact that income is not equitably apportioned out among the producers, the distributors and the consumers once they are left on their own. The consumers are thus deprived of a large fraction of the assets they had secured in their productive capacity as workers.

The point is therefore, Mr. Speaker, in the first place to protect the consumer from being inevitably taken advantage of on account of his weakness.

I feel really frustrated, as thousands and thousands of Candians do, by the fact that the problem of consuming and distributing our resources, in a fair, non-socialistic way does not appear on the list of bills mentionned in the Speech from the Throne.

I feel the same way about the very serious housing problem which is not even alluded to and which is related to consumption.

According to the Social Credit creed, there must be a constant balance between production and consumption, that is to say that at any moment of economic activities, consumption must reach the same level as production.

To serve man, to serve the citizen, all citizens, Mr. Speaker, regardless of race, color, cultural heritage and language, such must be the governing principle of the entire economy.

Any economic system that fails to attain this end does not accomplish its vital function and therefore deserves to be condemned. In judging the actual economic system, I respectfully ask the members of this house if it accomplishes its end with regard to the human beings, to each of the provinces and to Canada as a whole?

So that we may have prosperity and not poverty in the midst of affluence, it is therefore essential that the mechanism of production, consumption, distribution, be cordinated and interconnected so as to fulfil its end, which is the satisfaction of human needs, in a word the establishment of a just society in fact and not only in theory.

Mr. Speaker, the Speech from the Throne explicitly recognizes that poverty still exists in Canada. It repeats thereby the very interesting statement of the fifth annual report of the Economic Council of Canada. But the Speech from the Throne differs from the latter in that it does not suggest any solution.

It is a fact, poverty exists. But shall we be able to meet the challenge?

Mr. Speaker, in order to impart to the people of Canada the knowledge that, in a country like ours, poverty exists in the midst of

plenty, an official report of the Economic Council of Canada—the fifth one—has been necessary.

Previously, when the Créditistes urged the government to take immediate steps in order that the needy might receive bread and butter, the party in power always remained deaf and the newspaper did not bring up the subject. Today, faced with the recommendations of the report, several important personalities and leading newspapermen have shown great surprise at the wide-spread poverty here. And yet, Mr. Speaker, this poverty exists, we see it every day in our midst and sometimes in our own families. Many of our politicians have turned a deaf ear when we tried to tell them about it.

Poverty does not occur suddenly. It is the result of a lack of adequate policies on the part of our leaders for a number of years. The way things are going, one can wonder whether it is not almost too late to avert certain misfortunes or catastrophies which befall these poor families. These people have reached the stage where they feel rejected and almost as if they did not belong to our society. For them, poverty is a sort of insufficient access to some goods, services, and way of life available to all others and considered as essential to a decent standard of living.

For the poor, education, labour movements, spokesmen and associations to represent them and express their views, their yearnings, and their needs are things unknown. Why? Because, on account of their condition, they had to stay away from them. Consequently, they retreated into their humble ghettos, where lack of education, illness, want of money, hunger, cold, isolation, fear—and sometimes crime—touched them and left their stigma on each of them.

What was the government doing in all that, Mr. Speaker? As usual it refused to listen to those who tried to advise it. Of course family allowances, pensions, unemployment insurance benefits were being paid. But what was being done to help the poor help themselves to put them in conditions where they could increase their income, to develop their own possibilities, to improve their circumstances through ther own efforts?

The créditistes had remembered the poor, advocating a guaranteed minimum income for every family. The Prime Minister did not invent the minimum income, Mr. Speaker. They also advocated adjusting family allowances according to the cost of living index, a health dividend, adequate purchasing power for the consumers, a basic income tax exemption of $3,000 for unmarried people and $5,000 for married people, a maximum interest rate for finance companies which exploit the people, low rental housing and, in co-operation with the various departments and industry, helping the students find summer employment, a guaranteed minimum price for the products of a family farm to ensure the sale of farm products. Those are constructive measures which we expected to find in the speech from the throne, Mr. Speaker. Those are only some of the points of the créditiste program to create a just society, and we hope that the Prime Minister will take note of them.

To remedy the problem of poverty, it is necessary first of all to maintain a high employment level; secondly, to get the people interested and somewhat committed to eliminating poverty; thirdly, to direct policies towards the people who need help and not towards those who dispense patronage; fourthly, to maintain incomes and increase the ability of the poor to participate; fifthly, to make economic use of funds and skills to get the most long lasting results for each dollar spent. Will that challenge ever be met, Mr. Speaker, since it is still possible unfortunately to say today that the rich get richer and the poor get poorer? The just society, if it is to be, must first fill this serious gap and without delay. Will the Créditistes be heard this time with a little more attention? We all hope so, for the fate of millions of those poor people will be at stake.

Mr. Chairman, I do not intend to detain the house any longer. I should like to thank you, to congratulate you on your election and to offer you my closest co-operation as member for Lotbinière. I hope this speech and the debates to follow will be useful to the Canadian people.

[*English*]

Mr. Ray Perrault (Burnaby-Seymour): Mr. Speaker, as I rise for the first time in this house I want to congratulate the mover of the address in reply, the hon. member for Madawaska-Victoria (Mr. Corbin). The province of New Brunswick has made a remarkable contribution to this nation. The people of New Brunswick have made a contribution totally beyond their numbers within confederation. The province of British Columbia has benefited greatly from the contribution of

people from New Brunswick, although I may say that for more than nine years I have been battling one of its more distinguished sons in the legislature of the province of B.C.

Also, Mr. Speaker, I should like to congratulate the seconder of the address in reply my good friend and colleague the hon. member for Kamloops-Cariboo (Mr. Marchand). He will be an able member in his own right. The fact that he is a Canadian of Indian origin adds to the richness of this house, to the diversity and representative character of it.

I congratulate you too, Mr. Speaker, on re-election to the office you hold, because your reputation goes before you. Among those who have served in all the democratic assemblies and legislatures of this nation the Speaker of this house has earned an excellent reputation.

My constituency, Mr. Speaker, is made up of two of the most constructive and progressive areas in the country, and I am grateful to them for the support which they gave me in the recent election. I have the privilege of representing several thousand residents of the municipality of Burnaby, which is the second largest urban area in British Columbia, and as well I represent many of the families of North Vancouver.

We are richly endowed with resources in these areas. We have some fine mountains. May I suggest to the government through you, Mr. Speaker, that if we are to improve communications in this country we should schedule a series of federal cabinet meetings from the Pacific coast to the Atlantic coast so that in the years ahead, the cabinet can meet with every section of this nation, and if the cabinet would like to have a summit conference in North Vancouver on top of one of our mountains we would be glad to play host to it.

• (9:10 p.m.)

There are thousands of families living in my constituency faced with the problems of families throughout the country. They do not have housing. Too many of them are unemployed for certain periods of the year. They need greater assistance to develop their potential. I intend to advocate measures in all these fields during my period of service in this house. I may have difficulty at times in this assembly. Before I left to come to Ottawa they had a going-away party for me at which the chairman said, "Ray, is it going to be difficult, after serving so long in the opposition, finally to be on the government side?"

[Mr. Perrault.]

Here I am. I am with the government in spirit, but my physical location is still in opposition. If I have a conditioned reflex, a Pavlovian reflex, and I am overly critical—and I hope I am not too unfairly critical of the government at times—it may be because of my position in the house.

I congratulate the opposition parties upon their strenuous efforts to attempt to destroy the speech from the throne. I have been in opposition too long to suggest in any way that the rights and prerogatives of an opposition should be curtailed. No party in this country has a monopoly on good ideas. All the parties in this house have made their contribution. Fair and reasonable opposition is necessary if we are to keep our parliamentary system healthy. Anyone who has experience in opposition must be sympathetic with the problems which confront Her Majesty's opposition when they attempt to stand up and be watchdogs of the people. Laurier said:

> I here form part of the people's jury and it is my duty to render a conscientious verdict, regardless of pension or party.

With reference to the speech from the throne the question is, has the verdict been conscientious. I have listened with interest and with some bewilderment to the quality of the opposition which has been advanced during the past few days. The suggestion that this throne speech or any other speech from the throne is supposed to be a complete catalogue of the program of a government is a ludicrous and irresponsible suggestion. This definition of a throne speech is given in "Government of Canada" by Dawson, 1963:

> The throne speech reviews the state of the nation and recites in fairly general terms the program which the cabinet proposed to submit to parliament in the coming session.

May I suggest to the opposition that in the review that was given in the speech from the throne there is a foundation program for the coming four years and a belief on the part of the government that before we can create the base the foundation must be such that we can support social reform and pay for advances in all areas. If we attempt to finance the just society on the basis of the base coinage of our inflation, we are courting disaster. In that sense the speech from the throne has been responsible and meets the test of the traditional message from His Excellency. The speech from the throne provides a direction, it provides a pattern for the future. It can only suggest a limited number of areas where

government action is anticipated. But when criticism is directed toward the speech from the throne on the basis that it is not specific enough, perhaps the opposition should be reminded of the unprecedented action of the presenting of 47 bills on the very opening day of the session.

There has been a suggestion that the government is indifferent to the problem of those without shelter. Yet even now a task force is commencing its journey from coast to coast in Canada seeking the opinions of people from all political parties and vocations in an effort to obtain the best ideas in order to have a program at the time of the building season at the beginning of the year.

I was bewildered by the quality of the attack on the speech from the throne launched by the leader of Her Majesty's official opposition. He said, as recorded at page 55 of *Hansard*:

> Throughout the speech there is evidence of a lack of a sense of proportion, a preoccupation with legalistic matters, an utterly casual approach insensitive toward economic injustice and the blight of poverty in our land.

There have been other speeches from the throne in other forums and not just in our provincial legislatures—and not all in the province of British Columbia. One speech from the throne was delivered in the Nova Scotia house of assembly in 1967, the last year the right hon. gentleman seated to the left of our flanking group was premier of that province. Let me read into the record the kind of defence entered by that right hon. gentleman when his speech from the throne was brought under attack. These are the words recorded in the Nova Scotia House of Assembly, as they are set down at page 107 of the House of Assembly Debates:

> I am sure that any member of the house can present a list of projects which are desirable and important. Any member can stand in his place and say that this should be done and that should be done, but our resources are limited in comparison to the needs to be met, yes, inadequate in comparison to the needs to be met.

I ask hon. members to consider the quality of the opposition by the right hon. gentleman the other day and compare his remarks then with his defence in 1967 in his own legislature when he was endowed with responsibility. Then he continued:

> We are certainly not meeting all of the needs, but we have tried to allocate the resources that are available toward the most pressing needs in an effort to produce the most beneficial results that we can offer our province and its people.

Those words are somewhat reminiscent of some of the language in the speech from the throne we have before us. Has the hon. gentleman's philosophy altered during that intervening time?

We have a similar situation with regard to the members of the New Democratic party. I am familiar with some of them. The attack launched by the members of the New Democratic party in this house was an attack by a group enjoying the luxury of an opposition which has the positive knowledge they will never be called upon to form a government in this Canada of ours. But there was a time when they were empowered with the responsibility of government. I had the privilege and pleasure of attending the convention of the Saskatchewan Federation of Labour the last year the C.C.F. governed the great province of Saskatchewan. We are told in this house that today the New Democratic party believes that through planning we can bring about full employment in this nation; yet I have never in my life heard a more bitter indictment of any government than the indictment in 1962 by the Saskatchewan Federation of Labour of the C.C.F. because of their failure to fight unemployment.

• (9:20 p.m.)

Again vested with power and responsibility these opposition parties demonstrated a different philosophy and a singular lack of success in providing neat, pat solutions to the major problems which beset this nation. This reminds me of a baseball manager I spoke with last summer. His team was in a 13 game losing streak. He said it was very difficult to go to the baseball stadium every night when the fans were yelling down to put in a new pitcher, and asking why someone was not getting a hit or why the team was making so many errors. His comment was that, while up in the stands every fan was a 30 game winner with a batting average of 350, and might never make a field error, one could not coax them down on to the field.

I am glad to note that in this throne speech we are anticipating and contemplating parliamentary reforms which will enable any member of the opposition in this house with a good idea to contribute that idea effectively to the standing committees of the house. Not only that, such a member will be financed in the process. If any ideas exist among members of the opposition, and I am sure that there are many, this government will give the members a chance to put those ideas over.

Some of these 350 hitters will have a chance to get up to bat.

Anyone who listened to the speech from the throne with any degree of detachment heard, first of all, an acceptance of responsibility for the leadership which has been bestowed by the people of Canada on this government. This was not a speech festooned with piecrust promises not possible of fulfilment. We were told we must marshal our intellectual and financial resources and that priorities must be established. We were told that a firm foundation for the future must be established during this first session of the twenty eighth parliament. That foundation is going to include procedural reforms.

We have been told in effect that we cannot run a $12 billion corporation along business lines established in the 1880's, and that is one of the reasons the government advocates parliamentary reform. We have been told that procedural reform is a priority matter because the volume of work to be handled by this house is to be such that improved procedures are imperative.

We have also been told that national unity is a priority and that appropriate action is to be taken to strengthen and improve confederation. We in western Canada have made progress. This is one of the most rapidly growing provinces in Canada and we are as concerned about national unity as we are about economic growth.

British Columbians of all parties love their province and their country, and no one has a monopoly in this respect. Centennial year intensified our love for our nation. We respect the commonwealth and we respect the institutions which the commonwealth represents. The 16 members from British Columbia look upon our presence here, at least in part, as an opportunity to strengthen the bonds of confederation and to play a constructive role in building a new and better future for Canada.

The history of our province and its development since we entered confederation is one of a progressive people who have progressed, not because they have been standing unalterably across the highway blocking progress or by gazing nostalgically into the past refusing to act, but because they believe that times are changing and that the nation is changing. We are prepared to demonstrate that this nation has in that specific province a strong western bastion of confederation. We hope to assist in the intelligent and reasoned consideration of confederation and the constitution, as well as ways to improve both. The vast majority of us want to join every national dialogue about Canada's future because we believe that much of Canada's future lies in this province and in the west.

We have much to offer that dialogue. British Columbia is the fastest growing province in the nation. It is a wealthy province with a great fund of human and physical resources. The settling of our province was accomplished by co-operating, hard-working racially diverse people drawn from every Canadian province and from throughout the world, who came here and together conquered the wilderness. Whether they stepped ashore, or arrived from overland like my ancestors, they were met by individuals like the hon. member for Kamloops-Cariboo.

In British Columbia we have a diverse racial culture, we are united and we have something to say to the rest of Canada about unity. If we do not understand completely the French-English dialogue perhaps it is because we have been building a future in the most difficult geographical area in Canada. Perhaps we have had insufficient time to ponder this question.

The issue today as far as British Columbians are concerned does not involve French Canada or English Canada but rather an unhyphenated Canada. Our concern cannot be related to the linguistic and cultural future of Canada alone: it involves very much Canada's economic future as well. Without a strong economy, cultural institutions of any kind have little chance of growing and developing.

[*Translation*]

The province of British Columbia was settled by people of all races, faiths and philosophical tendencies. The first ties binding us to Canada were woven by people coming from Asia. By the thousand they contributed, through their labour and sometimes by sacrificing their life, to the construction of a railway connecting us with the rest of Canada.

These people came from all over the world and from the other provinces, seeking a higher standard of living.

The co-operation of all those groups was necessary to overcome all the obstacles met in the wilderness which was then British Columbia. The citizens of British Columbia are now proud and happy of the progress made.

Some of those who claim that they are speaking for our provinces seem to think that there is an impassable stone wall between British Columbia and the remainder of Canada.

I would like to tell the house, Mr. Chairman, that the record number of Liberal members from British Columbia elected to the Canadian Parliament bears out the fact that the people of British Columbia are no introverts, scowling behind a stone wall.

The great majority of citizens in British Columbia believe in the future of Canada and are ready to strengthen the ties of Confederation and make all necessary adjustments which could be required in the process.

Much has been said about the language rights of the two founding races. Some are afraid of being forced to speak English or obliged to speak French; but in Canada as it is today, and more and more in the Canada of tomorrow, I want my children to be bilingual, indeed I would like them to be able to express themselves in many languages, the more so since they will have to live in a shrinking world, a world in which progress will depend upon the knowledge of other languages, other cultures and other peoples.

[*English*]

In concluding, Mr. Speaker, the Canadian of tomorrow should know English, French and as many other languages as he can assimilate. He will be a better Canadian for it and a better world citizen.

If there is a sufficient number of French speaking citizens in any area of Canada who want their children to be educated in French as a primary language, by all means let us grant them that right. At the same time let us encourage them, for the sake of their children, to develop the greatest possible fluency in English as well as in French.

• (9:30 p.m.)

Canadians have everything to lose and nothing to gain by relying on alleged historical, statistical and legalistic precedents to deny their neighbours cultural and linguistic equality. Canada has made more progress in its brief 100 years of existence than any other nation in the world. We have not made all that progress in this brief period of time by opposing change, innovation and reform.

Some hon. Members: Question.

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

Division

Some hon. Members: Question.

The house divided on the amendment to the amendment (Mr. Lewis) which was negatived on the following division:

YEAS

Messrs:

Aiken
Alexander
Alkenbrack
Asselin
Baldwin
Beaudoin
Bell
Benjamin
Bigg
Brewin
Broadbent
Burton
Cadieu (Meadow Lake)
Caouette
Carter
Coates
Comeau
Crouse
Danforth
Diefenbaker
Dionne
Downey
Dumont
Fairweather
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Grills
Gundlock
Hales
Harding
Harkness
Hees
Horner
Howard (Skeena)
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lambert (Bellechasse)
Lambert (Edmonton West)
Laprise
La Salle
Latulippe
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.) (Vancouver-Kingsway)
MacLean
Macquarrie
MacRae
McCleave
McCutcheon
McGrath
McIntosh
McKinley
McQuaid
Marshall
Mather
Matte
Mazankowski
Monteith
Moore
Moores
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Nesbitt
Noble
Nowlan
Nystrom
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rondeau
Rose
Saltsman
Schreyer
Schumacher
Scott
Simpson
Skoberg
Skoreyko
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson (Red Deer)
Thomson (Battleford Kindersley)
Valade
Woolliams
Yewchuk—101.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Basford
Béchard
Beer
Benson
Blair
Blouin
Borrie
Boulanger

Division

Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
Deachman
Deakon
De Bané
Douglas
Drury
Dubé
Duquet
Durante
Émard
Forest
Forget
Foster
Francis
Gendron
Gervais
Gibson
Gillespie
Givens
Goode
Goyer
Gray
Greene
Groos
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harries
Hellyer
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Laflamme
Laing (Vancouver South)
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (Lac-Saint-Jean)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
Mackasey
McBride
McIlraith
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mongrain
Morison
Munro
Murphy
Noël
O'Connell
Olson
Orange
Osler
Otto
Ouellet
Pelletier
Penner
Perrault
Pilon
Portelance
Pringle
Prud'homme
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Ryan
Serré
Sharp
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa Carleton)
Wahn
Watson
Weatherhead
Whelan
Whiting
Yanakis—145.

• (10:00 p.m.)

Mr. Speaker: I declare the amendment to the amendment lost.

On motion of Mr. Mazankowski the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I wonder if the government house leader would indicate what business the house will conduct tomorrow.

Mr. Macdonald (Rosedale): Mr. Speaker, we shall continue tomorrow with the debate on the address in reply to the speech from the throne.

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

HOUSE OF COMMONS

Wednesday, September 18, 1968

The house met at 2.30 p.m.

[*Translation*]

PRIVILEGE

MR. DUMONT—CORRECTION OF NAME IN NEWSPAPER REPORT

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I rise on a question of privilege.

In a statement published in today's issue of the newspaper *Le Devoir*, mention is made of a reply to a question by the honourable member for Bellechasse, Bernard Dumont, whereas the representative for Bellechasse is Adrien Lambert. I would therefore ask for a correction of this article which reads as follows:

Crop insurance:

The Honourable Horace Olson, Minister of Agriculture, stated that the federal government would participate in approved crop insurance programs to the extent of 50 per cent of administration costs and 25 per cent of premiums. This was in reply to a question from Mr. Bernard Dumont.

Of course, this should be Mr. Adrien Lambert.

Mr. Speaker: In my opinion, this question of privilege is not in order.

[*English*]

HOUSE OF COMMONS

CONGRATULATIONS TO MEMBER FOR PRINCE ALBERT ON BIRTHDAY ANNIVERSARY

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I hope the Leader of the Opposition will forgive me if I exercise my position as Prime Minister to report on the activities of one of the most select organizations in Canada, the prime ministers' alumni association. This group, Mr. Speaker, has but three living members and they are all very distinguished Canadians; but the House of Commons chapter has but a single member, and I must say that that chapter has never been in better shape.

Some hon. Members: Hear, hear.

Mr. Trudeau: Its distinguished and very active representative here is known by different names to different peoples—Chief Great Eagle, Chief Walking Buffalo, Chief Many Spotted Horses—and some of us from other tribes call him by other names at other times. But in the House of Commons and to the people of Canada in general he is the hon. member for Prince Albert (Mr. Diefenbaker).

His unbroken tenure of office in this house, 28 years, is unmatched in length by any other member except the distinguished hon. member for Ottawa Centre (Mr. McIlraith). The contribution of the right hon. gentleman is one of the greatest in Canadian life. Indeed, it has become a legend.

Some hon. Members: Hear, hear.

Mr. Trudeau: The opportunity I have seized to make this report to the House of Commons is on the occasion of the right hon. gentleman's seventy third birthday.

Some hon. Members: Hear, hear.

Mr. Trudeau: On behalf of the government, indeed on behalf of all the people of Canada, I want to wish him very many happy returns of the day. I hope I will have occasion for many years, and possibly even my successors will have occasion, to make this annual report.

Some hon. Members: Oh, oh.

Mr. Trudeau: In the meantime, Mr. Speaker, I wonder if I could offer him a blue flower as an expression of good will from the flower people.

Some hon. Members: Hear, hear.

• (2:40 p.m.)

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I first of all say to the Prime Minister that I wish I found all his statements as agreeable as this report he has made to the house this afternoon. On behalf of the official opposition, the Progressive Conservative party and personally I am delighted to join with the Prime Minister in extending congratulations to our very distinguished colleague the right hon. member for Prince Albert. As members of parliament we are conscious of his great contribution to this chamber, the great part he has played here and the fight he has always made on behalf of the rights and traditions of parliament. His dedication has few parallels in the long history of this parliament of Canada.

Birthday Wishes to Mr. Diefenbaker

I am sure members of the house will understand that my reference today extends beyond the outstanding role of the right hon. gentleman as a House of Commons man. His great imprint here has made an even more enduring mark upon the country he has served in so many capacities, and in particular as prime minister. If I may speak very personally, sir, I know the esteem with which he is held by the people of my part of Canada. As the premier of a province I worked with the right hon. gentleman, and I know how deeply that esteem is deserved.

The right hon. gentleman has won a lasting place in the history of this parliament and the affection of the people of Canada. We have been personal colleagues for many years. It is a great privilege and a great personal pleasure to join other members of this house in extending to him congratulations on his birthday and to wish him many happy returns and many full and active years.

Mr. David Lewis (York South): Mr. Speaker, I could not possibly attempt to match the charm and grace with which the Prime Minister introduced this subject. I wish to join him and the Leader of the Opposition in extending our very best wishes to the gentleman on his birthday.

I have not been a member of this house for a very long time, but I had the honour of sitting here when he was prime minister and again when he was leader of the opposition. One could never fail to notice the way in which his very rising from his seat electrified the house, whatever the electricity produced. One could also not fail to note his very great love for this institution and his devotion to parliament as a place of democratic battle. "Battle" I think is the appropriate word.

It is with very great pleasure, sir, that all of us in the New Democratic party wish him many happy returns, and wish him health so he may continue to make his unequalled and incomparable contribution to this house.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, in my own name and on behalf of my colleagues of the Ralliement Créditiste, I am happy to join the Prime Minister (Mr. Trudeau), the Leader of the Official Opposition (Mr. Stanfield), as well as the acting leader of the New Democratic party to extend my warmest congratulations and my best wishes to the former Prime Minister and former Leader of the Opposition and now hon. member for Prince Albert (Mr. Diefenbaker) on his birthday.

I am always surprised to see him so young and so combative, but I have learned to know him especially since I have been in the house and I understand better why he stays so young and so active. Knowing his love for work and politics, it is easier to understand why he remains so young and so able.

In closing, I would like to wish him good health and a long life among us, because his presence is always for us a source of incentive and a cause of increasing wonder.

[*English*]

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, nothing can come in one's life to equal the unity of feeling in the House of Commons that from time to time indicates the oneness of this institution. The longer hon. members are in parliament the more they will love this institution. To the young members who have just come in I would say that for the first six months after you are here you will wonder how you got here. Then after that you will wonder how the rest of the members ever got here.

Words fail me to express my appreciation to the right hon. Prime Minister for his very gracious and eloquent words. I was particularly impressed by one statement, that he hoped that for years to come he would have the opportunity of joining with me in celebrating my birthday. I am glad to have that assurance from him because last fall, among all the honours I received, a Jewish congregation in Vancouver gave me the Torah, the Tree of Life. When I made inquiries as to what it meant I was informed that it meant I would live as long as Moses, one hundred and twenty years. I am told that when that information was relayed to Ottawa there was consternation. That consternation has been ended now by the Prime Minister with the realization that such an eventuality would not do harm to this institution. I thank him again, and if the result of the placing of this flower on me will allow me to approach the results he achieved by that means I will be happy.

To my own leader I express my deep appreciation for the words he has spoken. To the leader of the N.D.P., that great exponent of parliament in its finest form, I give my thanks and appreciation, as I do to the acting leader of the Ralliement Creditiste. I say thank you to all honourable members from the bottom of my heart.

The House of Commons is a place where from time to time we reveal an understanding of each other, and an appreciation of members sitting opposite which dispels the acerbities of party warfare and which causes each of us to form deep and abiding admiration for those members who sit in every part of the house.

Some hon. Members: Hear, hear.

EXTERNAL AFFAIRS

BIAFRA—SUGGESTED ACTION BY UNITED NATIONS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs and ask whether, in view of the fact that the meetings of the Organization of African Unity are now over and the countries of that organization have decided not to bring the Biafran crisis to the United Nations, the minister will now undertake to bring this matter before that world body.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, in the light of the resolutions and decisions made by the Organization of African Unity we have been exploring with the secretary general of that organization and with the Secretary General of the United Nations how best this matter might be brought before the United Nations.

Mr. Stanfield: A supplementary question, Mr. Speaker. Can the Secretary of State for External Affairs give us some assurance, in view of the fact that thousands of people are dying there daily, that this serious crisis will in fact be brought promptly before the United Nations?

Mr. Sharp: Mr. Speaker, as the hon. gentleman knows, such matters can be brought before the United Nations only by a group of countries. We have explored the possibilities of bringing this before the security council, and the soundings we have made show that is not a very fruitful way to proceed; but we believe we will find a group of countries that will be prepared to join with us in bringing this matter before the United Nations general assembly.

Mr. Stanfield: A further supplementary question, Mr. Speaker. I ask the minister, when did these explorations commence?

Mr. Sharp: These explorations have been going on for some time, having in mind the very serious nature of this crisis.

Mr. R. Gordon L. Fairweather (Fundy Royal): Mr. Speaker, I wonder whether the Secretary of State for External Affairs can tell us what representations Canada has made to Britain for that country to cease supplying arms to Nigeria.

Mr. Sharp: Mr. Speaker, the Canadian government has not made representations to the British government on this subject.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a supplementary question for the Secretary of State for External Affairs. In view of news that reached us this morning by press and radio, what is the minister's assessment of how much longer Biafra can exist as a de facto state, in view of the military progress of the Nigerian government?

Mr. Sharp: Mr. Speaker, I am afraid that kind of information is not available to the Secretary of State for External Affairs. The house will have observed from the newspapers this morning that the Organization of African Unity is supposed to have asked—I cannot confirm this—the Biafran authorities to surrender, so as to save lives, and the Biafran authorities have said they intend to fight on.

[*Later:*]

Mr. Jack McIntosh (Swift Current-Maple Creek): I should like to direct my question to the Secretary of State for External Affairs. Following the minister's reference yesterday to the terrible war in Nigeria, I should like to ask the minister whether he has been in consultation with his colleagues the Minister of Transport and the Minister of National Defence concerning the possible employment of Canada's mobile command in its peace restoring role?

Mr. Sharp: I do not know that I quite understand the purport of that question. It gives me the opportunity, however, to say that we have been moving food from Vancouver to Halifax to put on board the ship that is leaving soon for Nigeria. We are flying the supplies, using Hercules airplanes of the Canadian Armed Forces.

Mr. McIntosh: A supplementary question, Mr. Speaker. I do not know what the mobile command has to do with the transportation of food, but in view of the imminent removal of the Canadian contingent from Cyprus can the

Minister of National Defence or the minister of external affairs indicate the extent of readiness of the mobile command in the event of Canada being called on for action if this government offers to commit its forces in a peace restoring role?

Mr. Speaker: Order. The question is much too general in nature and also slightly hypothetical.

Mr. McIntosh: Mr. Speaker, it is a very specific question. It is directed to—

Mr. Speaker: It is specifically hypothetical.

[*Translation*]

INQUIRY AS TO MINISTERIAL MISSION TO LATIN AMERICA

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister.

Can he tell the house whether it is still his intention to send a Canadian ministerial mission to latin America in the fall and if so, can he tell us the names of the ministers and officials who will participate in that visit?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, may I answer this question. The mission to Latin America is now being planned. We have been discussing with the governments of the Latin American countries the most suitable dates for our visit. When the itinerary has been decided upon in agreement with these governments, an announcement will be made, and the names of the ministers who will be participating will be announced at that time.

MIDDLE EAST—EFFORTS TO REMOVE CAUSES OF TENSION

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Secretary of State for External Affairs. In the light of the repeated incidents between Israeli and Arab forces since the truce in the six day war of June, 1967, and in particular the more belligerent attitude of the parties in recent weeks, what active efforts has Canada been making both in the security council and the general assembly of the United Nations toward an eradication of the root causes of the tension which everyone in the house recognized existed at that time in the Middle East?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, our general policy has been to support the Jarring mission. We believe this is the only body now available which seems to have the necessary authority to discuss a possible solution with both the Arab and the Israeli sides in this conflict.

Within the next few days Mr. Riad of the United Arab Republic and the foreign minister of Israel will be in Canada and we will have an opportunity at that time for an even more detailed consideration of the possibilities of resolving some of these fundamental questions. I can only say that so far Mr. Jarring and his mission have not met with great success, which I regret very much.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary question which is obviously also directed to the Secretary of State for External Affairs. In view of the interesting surrounding-states doctrine in international affairs which was propounded here yesterday to resolve Biafra's problem, is the Secretary of State for External Affairs waiting for a resolution from the surrounding Arab states before some initiative is taken in resolving Israel's problem?

Mr. Sharp: Mr. Speaker, I would have thought, having in mind the events surrounding the invasion of Czechoslovakia and the efforts that have been made to interfere in Canadian affairs, that most members of this house would support very strongly the principle of non-intervention in the sovereignty of other countries.

CONSUMER AFFAIRS

INQUIRY AS TO ESTABLISHMENT OF STANDING COMMITTEE

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs. In view of the continuing rise in the cost of living and the reference in the speech from the throne to a continuous review of prices and costs, will the minister consider the establishment of a standing committee on consumer affairs?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Yes, Mr. Speaker.

Mrs. MacInnis (Vancouver-Kingsway): Mr. Speaker, may I direct a supplementary question to the minister. Has the combines branch completed its study of the Batten report on food prices and food retailing on the prairies? If so, will it be on the agenda for the federal-provincial conference on consumer affairs, and has the date for such a conference yet been set?

Mr. Basford: Mr. Speaker, with regard to the first part of the question, the director of investigation and research under the Combines Investigation Act has submitted his annual report to me, which will be tabled in the house within 30 days. With regard to the second half of the question, the agenda for the federal-provincial conference has not yet been settled. The date is the last part of October. I am not sure that all the provinces have yet agreed on the date, and I do not want to announce it until they have.

TRADE

WHEAT—STEPS TO DISPOSE OF CARRYOVER

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to address a question to the Minister of Industry, Trade and Commerce and ask him whether, when he enters the present debate, as I hope he will soon, to outline what steps the government will take to sell our record wheat carryover, he will also take that opportunity to outline what steps the government intends to take to overcome the sharp drop which has taken place in Canada's industrial production.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The hon. member is always full of generous offers, and I thank him, as I did yesterday.

Mr. Hees: I have a supplementary question. Would the minister be so good as to consider these two very important matters seriously and assure the house that he will enter the debate and give a sensible answer to these two important questions?

Mr. Pepin: Mr. Speaker, it is well known that even when I smile I am serious.

AIR TRANSPORT

TORONTO—LANDING RIGHTS FOR ALITALIA

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I wish to direct a question to the Minister without Portfolio who is associated with the Minister of Transport. Has the government reached a decision with regard to the granting of landing rights to Alitalia at the Toronto international airport?

Mr. Speaker: Order. Unless this question has an urgency which is unknown to me, it should be placed on the order paper.

EXPO '67

INQUIRY AS TO RECEIPT OF FINANCIAL STATEMENT

On the orders of the day:

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to address a question to the Minister of Finance. Has the minister received an audited financial statement from the Expo '67 corporation, and if so will he table it?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, may I take this question as notice? I really do not know whether I have received it, but I do not think I have.

[*Later:*]

Mr. Benson: Mr. Speaker, in answer to a question raised earlier this day by the hon. member for Wellington, may I say that the audited financial statements of Expo have not been received by my department. At the present time the financial statements are in the hands of the Auditor General, and he is probably closer to the Auditor General than I am.

EXTERNAL AFFAIRS

NATO—REQUEST FOR CLARIFICATION OF STATEMENT BY U.S. STATE DEPARTMENT

On the orders of the day:

Hon. J. A. MacLean (Malpeque): I should like to address a question to the Prime Minister. In view of the statement by the United States state department to the effect that Soviet military intervention in West Germany would lead to an immediate allied response in accordance with the NATO treaty, was the Canadian government consulted about this statement and asked to associate itself with it? If so, what was the response?

Right Hon. P.-E. Trudeau (Prime Minister): Well, Mr. Speaker, when the United States government speaks through one of its ministers it speaks in its own name, and it does not engage any other country. Its opinion of what is needed would be the opinion of a sovereign

state, but NATO decides according to its own treaty arrangements.

Hon. Marcel Lambert (Edmonton West): May I ask a supplementary question. Is the Prime Minister leaving the house with the impression the United States would take immediate action under its position as the leader of NATO and leave Canada completely, shall we say, on its own, at loose ends?

Mr. Trudeau: That is not the impression I believe my answer gave, Mr. Speaker. I said the United States was a sovereign state and could act in the way it decided. However, the members of NATO will only act in the way that NATO decides under the charter.

INQUIRY AS TO DIPLOMATIC RECOGNITION OF MAINLAND CHINA

On the orders of the day:

Mr. R. Harding (Kootenay West): I should like to direct a question to the Secretary of State for External Affairs. In view of the Prime Minister's statement on the need for diplomatic recognition of the government of mainland China, made both during and after the federal election campaign, I should like to ask whether it is the government's intention to extend recognition to the mainland government of China. Will action be taken at this session, and has any move toward recognition been initiated to date?

Hon. Mitchell Sharp (Secretary of State for External Affairs): We have been working actively toward this objective, which remains an objective of the government. We have not yet, however, had direct negotiations with the government at Peking.

Mr. MacInnis (Cape Breton-East Richmond): Where does the activity come from?

Mr. R. Gordon L. Fairweather (Fundy-Royal): Will Canada support the bid of continental China to be a member of the United Nations this year?

Mr. Sharp: I do not expect there will be any change in the attitude of the Canadian government on this question at the present session of the general assembly. We intend to proceed in parallel in relation to recognition of Peking.

Hon. George Hees (Prince Edward-Hastings): May I ask a supplementary question. Can the Secretary of State for External Affairs advise the house with whom Canada has been negotiating, if we have not negotiated directly with mainland China?

Mr. Sharp: I did not say we had been negotiating with anyone. I said we were working on the matter. We have been consulting with our ambassadors around the world. This is the type of consultation that is necessary. I think the house will understand that this negotiation is going to be particularly difficult, and it is one in connection with which there must be adequate preparation. I make no apologies whatever for taking adequate time because there is no objective of this government I consider more important than this one set forth by the Prime Minister and by myself during the election campaign.

[*Translation*]

BANKRUPTCY

INQUIRY AS TO AMENDING LEGISLATION

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to direct a question to the hon. Minister of Consumer and Corporate Affairs.

Is it the minister's intention to introduce in this house soon a new bill concerning bankruptcies, which he promised on June 29, 1966 and which has not yet been introduced?

[*English*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): There has been a committee working on a revision of the Companies Act subsequent to the amendments which were made in 1966. I expect a report by the end of the year. We will work on the report, and I will be introducing a revised and totally new bankruptcy act as soon thereafter as possible.

FISHERIES

REQUEST FOR REPORT ON ESTABLISHMENT OF STRAIGHT BASE LINES

On the orders of the day:

Mr. Lloyd R. Crouse (South Shore): I wish to direct a question to the Secretary of State for External Affairs concerning the Territorial Seas and Fishing Zones Act passed in this house in 1964. In view of the importance of this legislation as a conservation measure for the Canadian fishing industry, which is facing serious economic problems now, would the minister undertake to provide members of this house as soon as possible with a report on the efforts to date to reach an agreement

with other countries on this matter, and also give us any alternative proposals planned by the government in order to reach a conclusion to this thorny problem?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I would certainly be glad to take the opportunity to make a report. Perhaps the hon. gentleman might raise the question on my estimates or ask me to make a statement on motions. I would be happy to do so.

POST OFFICE DEPARTMENT

PAYMENT UNDER CONTRACTS FOR PERIOD OF STRIKE

On the orders of the day:

Mr. J. W. Lind (Middlesex): I should like to address my question to the President of the Treasury Board. In view of the very loose way rural mail carriers were advised with respect to their services during the postal strike and the lack of written instructions in connection therewith, I feel there is a moral obligation on the part of the government—

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. The hon. member may ask a question but he cannot make a speech.

Mr. Lind: —I feel that there is a moral obligation on the part of the government to make *ex gratia* payments in the light of these apparent administrative errors.

QUEBEC—POSSIBLE REPLACEMENT OF MUNICIPAL NAMES

On the orders of the day:

Mr. Raymond Rock (Lachine): Mr. Speaker, I should like to address a question to the Postmaster General. Has a decision been taken by the postal authorities in Montreal to replace by numbers such historic municipal names as Lachine, Pointe Claire, Dorval, etc., which are over 300 years old?

Mr. Speaker: Order. I invite the hon. member to place this question on the order paper.

Mr. Rock: Mr. Speaker, the question is urgent because this decision may take effect on October 1.

Hon. Eric Kierans (Postmaster General): Mr. Speaker, a decision has been taken to apply zoning numbers to existing post office addresses, but no decision has been taken, and indeed there is no intention, to take away any historic names. All that happens now in a large region such as metropolitan Montreal is that the municipality of Pointe Claire, for example, may be divided into seven zones and the address will be Pointe Claire 700, and that is all.

AGRICULTURE

REPRESENTATIONS RESPECTING IMPORTATION OF MEAT FROM ARGENTINA

On the orders of the day:

Mr. P. V. Noble (Grey-Simcoe): I should like to direct a question to the Minister of Agriculture. Has the minister received protests from the representatives of either the federation of agriculture or the farm union in respect of the importation of meat from Argentina? Does he propose to take any action to protect their interests?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have received a number of letters from many organizations and many individuals in respect of the importation of cooked beef from the Argentine. In reply to the hon. member I would say there has been no change in our health regulations with regard to cooked beef coming from the Argentine. The only amendment was to include "cooked plyofilm wrapped" beef in addition to "cooked canned" beef. The new product is beef that has been boned, cooked and then frozen and packaged in polyethylene wrappers rather than packaged in tins. Its main use will be for industrial purposes, and the importation of this product—

Mr. Speaker: Order, please. If the hon. member wants more information he can put a question on the order paper.

CANADA COUNCIL

PAYMENT OF EXPENSES OF ARTIST FROM NEW YORK

On the orders of the day:

Mr. E. B. Osler (Winnipeg South Centre): I should like to preface my question by saying that it is not a criticism of an agency which I hold in high regard. I should like to ask, in view of the constant requests for funds emanating from individuals and organizations of merit throughout Canada, what steps can be taken to prevent the expenditure of money by the Canada Council on such ventures as the subsidization of Ralph Ortiz, the axe wielding artist from New York, whose air fare of $284 was paid by them to attend his show in Vancouver—

Mr. Speaker: Order. The hon. member should place this question on the order paper.

Inquiries of the Ministry

CANADIAN CITIZENSHIP

INQUIRY AS TO APPOINTMENT OF JUDGES

On the orders of the day:

Mr. Lincoln Alexander (Hamilton West): Mr. Speaker, I would like to direct my question to the Secretary of State. In view of the backlog of citizenship applications in centres because of citizenship court judge vacancies, could the minister advise whether all appointments of citizenship court judges have been made, thereby filling the vacancies?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, it is a fact that several citizenship courts are now without any incumbent, but appointments are under consideration and should be made very shortly.

[*Translation*]

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Roland Godin (Portneuf): Mr. Speaker, I direct my question to the Prime Minister.

Within the framework of a just society, and considering unfairness displayed by some newspapermen in the discharge of their duties, would the Prime Minister consider sending a copy of the official report of the *House of Commons Debates* to every Canadian family head?

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I had intended to put my question to the hon. Minister of Transport but in his absence, I shall direct it to the right hon. Prime Minister, since he is concerned in the matter.

Yesterday, we were delayed over five hours at the Quebec and Montreal airports. Might it not be possible for the government to study the possibility of building an international airport in an area free from fog and far from the St. Lawrence river?

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, I should like to put a question to the hon. Minister of Forestry and Rural Development.

Can the minister tell us whether the federal government made any offer whatsoever prior to September 1, 1967 to Mr. Edmond Joly, of Lotbinière, with regard to the purchase of the Seigneurie de Lotbinière, which—

[Mr. Speaker.]

Mr. Speaker: Order. The question of the hon. member should be put on the order paper.

Mr. Bernard Dumont (Frontenac): Mr. Speaker, my question is addressed to the right hon. Prime Minister.

Further to the appointment of the Minister without Portfolio (Mr. Richardson), could the Prime Minister tell us how many relatives of the aforesaid honourable minister have some interest in the Canadian Pacific?

[*English*]

AGRICULTURE

SUGAR BEETS—STATEMENT ON PAYMENT TO ONTARIO GROWERS

On the orders of the day:

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, yesterday the hon. member for Lambton-Kent asked me a question which I took as notice. In reply to the question about transitional adjustment grants to Ontario sugar beet growers, I may say that we are now waiting for the records of growers' 1967 plantings, which are to be forwarded by the Ontario sugar beet growers marketing board and the company, on which these grants will be calculated. When this information is received we will then request approval of parliament for the provision of the necessary funds to make the payments.

I should also like to say there is no delay, because even if the sugar factory had been operating or was still operating there would be no initial returns from this year's crop as of this date in any normal growing season.

DRUGS

PROTECTION AGAINST COUNTERFEIT PRODUCTS—CRIMINAL PROCEEDINGS

On the orders of the day:

Mr. J. M. Forrestall (Dartmouth-Halifax): Mr. Speaker. I would like to direct a question to the minister of health relating to a series of questions asked in this chamber last March regarding the presence of counterfeit drugs on the Canadian market. I should like to ask the minister whether these drugs have now been removed from access by the public, and further whether any criminal proceedings were instituted by the food and drug directorate as a result of the investigation.

Hon. J. C. Munro (Minister of National Health and Welfare): Mr. Speaker, we have investigated the matter and are now satisfied

that these drugs have been largely removed from the market. As far as prosecutions are concerned, this question is presently under investigation and no conclusion has been arrived at yet.

INDUSTRY

AUTOMOBILES—COMMUNICATIONS WITH COMPANIES RESPECTING PRICES

On the orders of the day:

Mr. Warren Allmand (Notre-Dame-de-Grace): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce further to a question which was asked in the house the other day. Has the minister been in touch with the Canadian automobile companies regarding their 1969 prices and, if so, could he tell the house what were the results of his discussions?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I did indeed learn today that the Chrysler corporation has announced its price increases for the current model. The increase in Canada is $78 for the 1969 model, as compared to $91 in the United States. Again, the difference between the price in Canada and the price in the United States has been reduced.

[*English*]

Mr. A. D. Hales (Wellington): A supplementary question, Mr. Speaker, to the Minister of Consumer and Corporate Affairs. In view of the fact that he advised the house today that a select committee will be established, would he refer the question of the price of cars to that committee?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the hon. member is in error. I said I would consider the establishment of a committee.

NATIONAL SECURITY

INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister. Has the government received the report of the royal commission on security matters and, if so, when will the report be published and presented to this house?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the report is not in my hands as of yet but I understand it is about ready. There is the translation to be finished, and as soon as it is finished the report will be given to me. I understand this will be in the very near future.

Mr. Stanfield: Mr. Speaker, I should like to know when the house might expect to receive the report.

Mr. Trudeau: Shall I repeat, Mr. Speaker? I understand that the report is about finished but the translation is not. The translation is presumably from French into English and I do not want to publish the report in French before it comes out in English. Therefore I am waiting for the report to be supplied to me in both languages, which I understand will be very soon.

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question, Mr. Speaker. Will the Prime Minister undertake to submit the report to the house when it has been completed and he has received it, read it and considered it?

Mr. Trudeau: Mr. Speaker, it is conceivable that there will be matters in it which I will not want to table in the house. The report may concern security matters which should not be made public. I do not know; I want to see it first. The hon. member cannot ask me this kind of hypothetical question and expect an answer on the subject.

UNITED NATIONS

CYPRUS—ANNOUNCEMENT OF REDUCTION IN CANADIAN FORCE

On the orders of the day:

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, while I am on my feet I want to refer to a question asked of me yesterday by the right hon. member for Prince Albert concerning the withdrawal of forces from Cyprus. I have been informed by the minister of defence that the Secretary General of the United Nations has requested a reduction in the size of our forces there. Accordingly, next month Canada will reduce its forces from 872 to 587.

I should like to pay tribute to the Canadian servicemen who, under very difficult and trying circumstances, have served their country well in an area where the United Nations decided it was appropriate to have them.

Inquiries of the Ministry

Hon. D. S. Harkness (Calgary Centre): A supplementary question on the statement that has just been made by the Prime Minister. Has Canada put in a bill to the United Nations for the cost of maintaining our forces in Cyprus over the past several years?

Hon. Leo Cadieux (Minister of National Defence): Mr. Speaker, I think this question is addressed to me. As the hon. member knows, we have improved the situation inasmuch as we still pay for the keeping of our troops —that is, their pay, allowances and feeding —but we have been able to recoup transportation costs. That is the best we have been able to do.

Mr. Harkness: My question was whether any bill has been put in to the United Nations for the cost of this force, as was done previously in the case of some of the other forces we allocated to U.N. peace keeping operations, although the bills were not paid.

Some hon. Members: Oh, oh.

Mr. Cadieux (Labelle): No bills were put through my department, Mr. Speaker.

INDIAN AFFAIRS

SASKATCHEWAN—REPORTED STATEMENT BY PREMIER RESPECTING RESERVES

On the orders of the day:

Mr. Len Marchand (Kamloops-Cariboo): I have a question for the Minister of Indian Affairs and Northern Development arising out of a statement purported to have been made by the premier of Saskatchewan in an interview on Tuesday, September 10, that Saskatchewan does not want to turn over one more inch of land to the federal government for the creation of Indian reserves. Does this mean that any outstanding land commitments to the Indians of Saskatchewan under treaty will not be met?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have received no communication from the premier of Saskatchewan to the effect that he is reluctant to transfer land as required by the terms of the agreements concluded with the Indians.

My Department has undertaken negotiations with the Saskatchewan government on this question, and they are continuing at the present time.

[Mr. Trudeau.]

[*English*]

NATIONAL DEFENCE

REQUEST FOR STATEMENT RESPECTING RIVERS AIR BASE

On the orders of the day:

Mr. Craig C. Stewart (Marquette): I wish to direct this question to the Minister of National Defence. In view of the government's emphasis on regional development and the growing need for tri-service training for Canada's armed forces, will the minister announce soon the expanded role of Rivers air base in order to allay present uncertainty?

Hon. Leo Cadieux (Minister of National Defence): As everyone knows, we have been studying for the past three years what we call a project for consolidation—that is the objective of these studies—and we expect to arrive at an over-all assessment of the necessity of the bases we have in Canada. When conclusions are reached we shall have to announce whatever decisions have been arrived at respecting all bases in Canada.

Hon. W. G. Dinsdale (Brandon-Souris): In his consideration of these matters would the minister pay particular attention to the excellent facilities at Rivers base so that it might be expanded, thereby reducing dangerous congestion of the airways—

Mr. Speaker: Order. The hon. member is now making a representation rather than asking a question.

HIGHWAY SAFETY

INQUIRY AS TO REPORT OF PUBLIC SAFETY BOARD

On the orders of the day:

Mr. Barry Mather (Surrey): I have a question for the Minister of Transport. Perhaps in his absence I might be allowed to ask the parliamentary secretary to take it as notice. Having in mind the fact that traffic accidents across Canada are now claiming one Canadian life every 90 minutes of every day, can we expect an early report on the work of the public automotive safety board established by this house last session?

Hon. James Richardson (Minister without Portfolio): I will take notice of that question.

AGRICULTURE

BRITISH REGULATIONS RESPECTING HANDLING OF LIVESTOCK AND FOWL

On the orders of the day:

Mr. Les Benjamin (Regina-Lake Centre): I should like to direct a question to the Minister of Agriculture. In view of Canada's extensive agricultural trade with Britain, has the minister examined the new British regulations concerning humane methods in the handling of livestock and fowl for the production of meat and eggs to see whether Canadian standards meet British requirements and do not jeopardize our exports?

Mr. Speaker: The hon. member has made his submission and I assume it has been noted.

FISHERIES

NEW BRUNSWICK—OYSTER SEASON IN CARAQUET BAY

On the orders of the day:

Mr. Herb Breau (Gloucester): My question is intended for the Minister of Fisheries. What action does the minister intend to take concerning a statement made by the Maisonnette, New Brunswick, board of trade and published in a New Brunswick newspaper this morning to the effect that the people of Maisonnette were being discriminated against in connection with the granting of a fishing season in the oyster beds of Caraquet bay?

Mr. Speaker: Order. I am not in a position to determine whether this is a matter of urgency, but I am inclined to think the question might be placed on the order paper.

COMMITTEE CONSIDERATION OF SALMON LICENCE LIMITATIONS

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Fisheries; the matter is of some urgency because many salmon fishermen begin at this time of the year to prepare for next season. Would the minister be prepared to refer the declaration about licence limitations on the salmon industry to a parliamentary committee at an appropriate time so it can be considered publicly?

Hon. Jack Davis (Minister of Fisheries): The answer is yes. I may also say that a special appeal board has been set up on the west coast to look into these matters.

[Translation]

FAMILY ALLOWANCES

INQUIRY AS TO POSSIBLE INCREASE

On the orders of the day:

Mr. Henri Latulippe (Compton): Mr. Speaker, I wish to put a question to the hon. Minister of National Health and Welfare.

Does the minister anticipate any increase in Canadian family allowances in the near future?

[English]

Hon. J. C. Munro (Minister of National Health and Welfare): No, Mr. Speaker.

INDIAN AFFAIRS

NOVA SCOTIA—REPORTED MISAPPLICATION OF HOUSING FUNDS

On the orders of the day:

Mr. Robert Muir (Cape Breton-The Sydneys): I have a question for the minister responsible for Indian affairs who is, I know, sincerely interested in the welfare of the Indians in our province. Would he investigate the situation at the Eskasoni Indian reserve, where moneys allocated by his department for housing improvements are now being used for the construction of 50 outhouses, an action which has brought about the resignation of five councillors?

Some hon. Members: Oh, oh.

Mr. Speaker: Again, the hon. member has made a representation and I assume it has been noted.

Mr. Muir (Cape Breton-The Sydneys): On a question of privilege, this may seem somewhat amusing but it does represent a serious situation, inasmuch as five or more band councillors have resigned their positions and there is a bit of an uprising in the area.

Mr. Speaker: Order.

INDUSTRY

NEWFOUNDLAND—AGREEMENT WITH SHAHEEN RESOURCES COMPANY

On the orders of the day:

Mr. John Lundrigan (Gander-Twillingate): My question is directed to the Minister of National Revenue; it is a very serious question. Did the Minister of National Revenue take part in any negotiations with the provincial government of Newfoundland with

respect to an agreement between that government and the Shaheen Natural Resources Company?

Hon. E. J. Benson (Minister of Finance): Perhaps I can answer that question by saying no.

CANADA ELECTIONS ACT

CONSIDERATION OF RECOMMENDATIONS OF FORMER CHIEF ELECTORAL OFFICER

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the President of the Privy Council. Can we be assured that the government will give early study to the recommendations made by Mr. Castonguay concerning absentee voting and a permanent or continuous voters' list?

May I also ask whether there is a possibility of these recommendations being referred to a committee of this house?

Hon. Donald S. Macdonald (President of the Privy Council): As I said to the house earlier this week, or perhaps late last week, the government is currently considering some means of enabling hon. members generally to give attention to this question. I hope to be able to announce a date on an early occasion.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed from Tuesday, September 17, consideration of the motion of Mr. Eymard Corbin for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment (p. 62) thereto of Mr. Stanfield.

• (3:30 p.m.)

Mr. Don Mazankowski (Vegreville): Mr. Speaker, may I first offer you my very sincere congratulations upon your re-election as presiding officer of the House of Commons. The accolades that have been extended to you over the past few days well express the feelings of the members of this distinguished house. May I also extend felicitations to your assistant, the Deputy Speaker, and to the Deputy Chairman of Committees. They too, I know, will preside properly and wisely over the deliberations of this chamber.

I wish to take this opportunity, Mr. Speaker, to bring you greetings from my constituents in the electoral district of Vegreville, and particularly from the centennial capital of Canada, St. Paul, Alberta. This patriotic town engaged in over 100 centennial projects to commemorate Canada's 100th birthday, ranging from the opening of a recreational centre to the building of a launching pad for objects from outer space. I am deeply honoured and grateful to have been chosen to represent this great riding, a riding which contains people of vision, enthusiasm and dedication.

As we are debating the address in reply to the speech from the throne I shall confine my remarks generally to a discussion of manner in which the throne speech affects the constituency I represent. The Vegreville constituency is an area in east central Alberta comprising 9,000 square miles and containing in excess of 65,000 industrious people who are of all origins, including the two founding peoples, French and English, and the first Canadians, our native Indians. Regrettably, in a throne speech which is dedicated to a just society no mention is made of the ethnic groups which constitute such an industrious, cultural and dedicated group of Canadians throughout the nation. I hope that this does not mean that these people are to be treated as second class citizens.

My presence in this house during the deliberations which are forthcoming will be to ensure that these people will enjoy equal rights and privileges, equal opportunity, never again to be caught in the web of limitations as was the case before the right hon. member for Prince Albert (Mr. Diefenbaker) removed the barrier by proclaiming the Bill of Rights.

Some hon. Members: Hear, hear.

Mr. Mazankowski: These people believe in and want one Canada, united, with no special status, no special favours. All they want is equality. The throne speech in no way gives these people that assurance.

Representing an agricultural area, Mr. Speaker, I would like to devote some time to outlining some of the difficulties that are being faced by the farmers in my constituency, as well as by those in other parts of western Canada. I would first like to offer my sincere congratulations to my hon. friend from Medicine Hat (Mr. Olson) on his appointment as Minister of Agriculture. It is very pleasing to know that some consideration has been given our fair province by his appointment to this very important portfolio.

In a rural constituency such as Vegreville the economic pulse of all our communities is

directly dependent on agriculture. In no way can we ever have any doubts about that. But what is happening? Farmers are being forced to sell. As a matter of fact just before departing for Ottawa I was told by one of our local auctioneers that business was never better. He has had more farm auction sales this spring and has already booked more for this fall than he has ever had in any previous two years combined.

I am told that many of these farm folk are selling their liquid assets and are abandoning their units in search of jobs through which they can survive. Many are attempting to sell their land and, failing that, they will let it go for taxes. There is just no way that a farmer can survive with the rising cost of machinery, repairs, taxes and interest rates, yet the throne speech offers nothing by way of relief for the farmers of western Canada. As a matter of fact the amendments to the Farm Improvement Loans Act and to the Farm Credit Act will add further to the cost-price squeeze by allowing interest rates to rise still further.

The emphasis in agricultural programs has been on productivity, both in real terms and in terms of substituting capital for labour. In farming, unlike other industries, output is widely dispersed and difficult to control. It is geared toward maximizing productivity in order to justify higher investment and rising costs. But production which exceeds demand results in declining prices, thereby retarding the economic advantages of greater technology.

In a recent booklet entitled "Agricultural Output—Canada 1968" published by the Canadian Department of Agriculture it is shown that the farmer's prospects are indeed grim. May I quote a few excerpts:

Wheat. Prices which are now lower than a year ago are expected to be maintained in the lower part of the international grains agreement range for the remainder of the current season. Under average conditions, a smaller acreage than in 1967 could produce all supplies needed to meet anticipated demands in 1968-69.

But what has happened? We have an increased acreage, and we see pressure being placed on the international grains agreement through a system of adjusting the grades and through a lower price than what the agreement calls for.

Oats. Oat supplies for 1967-68 are about 20 per cent below the recent five year average. The effect of the large 1967 United States corn crop and the trend towards greater consumption of high energy feeds may prevent prices for oats from showing much increase. Stocks at July 31, 1968, are likely to decline. To maintain our build-up of stocks, additional acreage of oats will be required.

Barley. Prices were lower in 1967 than the year earlier and will probably continue below the 1966 level. Because of competition from alternative feed grains, with barley yields rising faster than those of oats, a larger increase in the acreage to barley than to oats in 1968 would seem justified.

Rapeseed. The price of rapeseed was down during the early part of 1967-68 and will probably stay relatively low for the remainder of the current crop year. With an expanding domestic market and steady export market, rapeseed acreage should be maintained or increased slightly.

Hogs. Prospective hog slaughter in both Canada and the United States in 1968 will average below the high levels of 1967. Prices in Canada are not likely to show any sizeable rise before the fall of 1968.

With the reduction of the government bonus on premium bacon the price has deteriorated still further.

Cattle. Fed cattle marketings in Canada in 1968 may be about the same or slightly above those in 1967 and prices are expected to remain above the export equivalent price in the United States.

• (3:40 p.m.)

The destruction of the traditional family farm gravely concerns all of us. The major problem that is facing the agricultural community is the continuing and rapid rise in all farm costs on the one hand, while returns for farm commodities have either remained stable or moved downward.

The current investment required does not provide returns that compare favourably with other industry. As a result there is no incentive for young people to become engaged in agriculture because of the high capital requirements and the very low return. At the present time the average age of the farm operator is 57, which places not only the family farm, but the complete industry in very grave doubt.

What does this government plan to do with these people who are being forced to leave their way of life? Are they going to provide them with employment? Are they going to train them and adapt them to other ways and means of securing a living, or are they to go on welfare? And believe me, Mr. Speaker, many have suggested that this might be their solution. The speech from the throne in no way offers a prescription to remedy this very important situation, which is rapidly becoming the most urgent concern not only in my constituency, but in all the western prairie provinces.

May I remind you, Mr. Speaker, that this country would be in sad shape if it were not

for agriculture. Even with declining exports it still commands one fifth of the total export markets. Farmers last year spent some $500 million on farm machinery and repairs, and in addition fertilizer sales last year exceeded one million tons.

Total farm expenses were about $3 billion, and if you add to that the other durables purchased such as cars, trucks, refrigerators and so on it increases significantly. So you see, Mr. Speaker, farmers are big spenders, and at the same time it has been said that for every dollar's worth of agricultural product produced, there is created $7 worth of income to others who are associated in some way with the product.

My final plea is on behalf of the native people across the nation, and in particular those of my own constituency, the Indians of the Saddle lake band. For too long our native peoples have been abused. In our society of today, where we enjoy more and more a multitude of benefits, the Indians are gradually finding their similar privileges diminishing. Basic needs such as housing, health services, employment, education and an adequate water supply, prime requisites so necessary to every Canadian today, are not enjoyed by our Indians and Eskimos. Until our native peoples are given equal opportunity to participate in a full and rewarding life, they will not be able to live with dignity with their fellow Canadians.

The Indian Act is now in the process of revision. Let it not become a document to be interpreted only by bureaucrats, but by men who have an understanding for their fellow man. Our laws should surely put people before policy, and to this end I intend to devote my efforts and energy in the years ahead.

In closing my remarks may I say that it is indeed an honour and a privilege to have had the opportunity of delivering my first speech in the House of Commons today on the occasion of the seventy-third birthday of my distinguished and honoured friend, the right hon. member for Prince Albert (Mr. Diefenbaker).

[*Translation*]

Mr. Ralph Stewart (Cochrane): Mr. Speaker, first of all, may I congratulate you on your appointment as Speaker of the house. From what I have seen and heard, you may be one of the best Speakers, and possibly the best, in the history of Canada.

[Mr. Mazankowski.]

May I also congratulate the two honourable members (Messrs. Corbin and Marchand) who moved and seconded the address in reply to the Speech from the Throne, according to custom.

[*English*]

Mr. Speaker, although I spent a few years observing the proceedings of this house from the gallery, and part of that time as a ministerial aid, it is hardly the same as actually sitting as a member. I am most grateful to my constituents of Cochrane for giving me this opportunity to serve Canada. I feel a great sense of pride and privilege at being here. I am proud also of being a part of a great team which throughout the election campaign we called the "Trudeau team" and which was recognized by the Canadian people as the team that should run this country for the next five years.

The face of parliament has changed. We have over a hundred new faces sitting in the house. Canadians expect a change from the House of Commons. They expect parliament to be more effective, with less harangue and with a great deal more logic. I recall about a year ago a member of the opposition from Brome-Missisquoi, who I believe now has a seat in the official gallery, chided members on all sides of the house for their childish attitude and for their overly exaggerated partisanship. He stated at that time that the people of Canada were sick of it; that the people of Canada did not want any more of it and that the people of Canada, particularly the young people, were expecting something better from this house. And in all of the time that I have sat in the gallery watching the proceedings of this house, that was the only time that I saw the public in the galleries applaud, and applaud freely. He had put his finger on the very thing that has been bothering the people of Canada for a number of years, and that is the performance of the members in this house.

Are things going to be different in this new parliament, or are they going to remain the same? We have new members; we have a new government; we have a new group which is dedicated to change. There is talk about a reform of the rules. Perhaps I am a novice at considering the intricacies and the nuances created by some of these rules; but to me, and I am sure to a lot of logically thinking Canadians, it seems completely ridiculous that we should have a system in this house which permits a minority representation, who

lost the election, to move a want of confidence motion in a government which began to sit only two days before and which by a large majority had been given a vote of confidence by the Canadian people by means of a general election. A year from now I could understand why it would be the duty of the opposition to look over the record of the government and decide whether or not they wish to vote non-confidence. But two days after the house sits, and before we even get started in our legislative program—? to me it is completely ludicrous.

I wonder whether the members of the opposition really understand the new philosophy which has been brought into Canadian politics by our Prime Minister (Mr. Trudeau), and other people who are forward-thinking, as he is—a philosophy which caught the imagination of the Canadian people; a philosophy which we would like everyone to understand. But I wonder if the members of the opposition really understand it. Do the members of the opposition have a philosophy? I suggest, Mr. Speaker, that the amendment and subamendment which were placed before the house show that the opposition still does not understand. They criticize for the sake of criticizing. They said they wanted a more detailed throne speech. Could it be that they wanted more to criticize? Is this the true role of an opposition? I do not think the people of Canada want that kind of opposition. They expect the opposition to oppose and to keep the government on its toes, yes; but I am sure that they do not expect the opposition to criticize just for the sake of being in opposition. They spoke about poverty; they spoke about poverty as if it just suddenly came about and we had never experienced it in the past in this country. What do they expect the Prime Minister to do? Is he supposed to wave his wand and all of a sudden, 'poof', no more poverty?

This government has taken the most forward-looking step of any government in recent years by attacking the problem of poverty sensibly and logically, with the establishment of a new department of regional development. This is the way responsible government should be. But when we listen to an irresponsible tirade on the part of the opposition concerning a program which has not even been given a chance to start, then it seems to me that the opposition obviously is not interested in good government, that they are interested only in opposing and in criticizing.

• (3:50 p.m.)

The Leader of the Opposition (Mr. Stanfield) has obviously changed his tactics. He did not used to be like that. This is perhaps one time that he should have used his old tactics. This is one of the times that he should have said what he has so often said before, "Well, we'll see; we'll see." I think I understand why he has adopted this method. He is so afraid of being upstaged by his predecessor, the right hon. gentleman, that he feels he should beat him to the draw.

Speaking of the right hon. gentleman, those of us who have a great filial affection for the former prime minister are very happy with the tribute paid him today, and we are happy that his position in the official protocol list of precedents is so lofty. As a former prime minister he takes precedence not only over the previous prime minister but also over his own leader. This must make him very happy; and we are very happy with him.

Something that made me very sad indeed was to hear the Leader of the Opposition make reference to the fact that Her Majesty was not referred to in the speech from the throne. This to me was an obvious attempt to make a political issue out of the Queen. These are the old tactics that were used by the opposition in the past, concerning the flag. It seems they would like to have the Queen now made into a political football. Do they honestly think that the Queen is their personal property for them to protect? This is an issue that should not even have been mentioned by the Leader of the Opposition, if he was sincere about his desire to help bring about good government in this country.

And then there is that group further to the left of Your Honour, whom I suppose we could call the leftists. I think the people of Canada spoke far more eloquently then I can as to their fate. Except for an accident of provincial considerations in Saskatchewan they have been religated to where they belong. Again in this parliament we see them cloaking themselves in the shroud of self-righteousness and making sanctimonious pronouncements. Canadians are no longer fooled by this. Throughout the whole of the election campaign they were up to their old tricks, talking about the Carter report which most of them have not read, condemning a rise in the price of stamps as something against the poor workingman, when they knew so well it would have been the big firms that would have paid for it.

They say they are the friends of the workingman, and that is another myth that was dispelled in the last election. It is not the man on the street that goes along with their philosophy, but perhaps some of their organizers and leaders of the labour groups do.

In any case we threw them out of northern Ontario in no uncertain terms, and that is where they were so sure of support. They even boasted that they would win Cochrane. Out of the 12 Northern Ontario ridings we won 11, and they almost lost the twelfth, and might have, if it had not been for the personal popularity of my good friend Arnold. It certainly was not his party that got him in.

The leader of that group, to Your Honour's far left, moved a subamendment deploring the fact that the throne speech did not go on in detail about the housing crisis. Isn't that a logical approach. All Canada knows that my good friend the Minister of Transport (Mr. Hellyer) has tackled this problem in a very forward looking way, and I can tell you that if he does not succeed in solving the housing crisis, there is not anyone inside this house or outside of it who can. But the leader of the N.D.P. would rather hear a lot of words on the subject. I think we should leave the words to him, sir. This government will take the action.

[*Translation*]

Mr. Speaker, I represent a riding which is not a constituency but a country. It stretches from Hudson Bay to lake Superior and as far as the Quebec frontier to the east. It is a vast constituency which is approximately the size of France and which is less favoured than the other parts of the country.

During the election campaign, the Prime Minister spoke about regional development and singled out northern Ontario. We find this very encouraging because, in the past, it was customary to think of the Maritimes or eastern Quebec when less fortunate areas were discussed. It is time now to think of our region and to try and develop it. We have always been forgotten in the past, but I am convinced that after the Prime Minister's visit to our region, the riding of Cochrane and the north in general will no longer be forgotten.

In the first place, northern Ontario is an area rich in natural resources. It has tremendous mining possibilities, forest resources that are almost unexhaustible, unequalled tourist opportunities. To develop all these, five-year or ten-year comprehensive programs, taking into consideration all aspects of life in the north, should be carried out.

[Mr. Stewart (Cochrane).]

But why has the north been neglected in the past? Why were some people maintaining that our area was not so deprived after all? It was mostly because studies were based on unemployment statistics. If one visits northern Ontario, Mr. Speaker, or if one knows the climate of this part of the country, one would be inclined to think that it is too severe for one who does not work to live there. This means that if a person does not work, he just leaves. That is one of the reason why unemployment statistics do not indicate this area as one in need of government programs.

[*English*]

It is becoming more and more apparent that we cannot use the sole criterion of unemployment to designate an area. In the light of newer criteria the claims that we make in northern Ontario for special treatment are valid in the over-all national development.

Let me quote what Professor Brewis said on this subject.

> It is the absence of agreement on these basic political questions no less than the absence of an economic appraisal of alternative courses of action that weakens federal policy. Meanwhile substantial transfer payments are made to the poorer provinces and these sums are augmented by abnormally heavy unemployment insurance payments. Continuation of such payments is almost certain to be a less fruitful way of assisting poorer areas than a program of aid designed to encourage development and migration. Welfare payments in general do not strike at the cause of unemployment and poverty. Indeed to the extent that they reduce the urgency of the need to find solutions, they can be expected to perpetuate these evils. A more positive approach to the problems of the poorer parts of the country is needed.

The economic council is turning its attention to the issues involved, and there is some possibility that the geographical branches of government will devote more of their resources to the problems of industrial location and urban development. Hitherto the overwhelming emphasis in their work has been on physical geography.

Of course in all of these programs continuous and effective federal-provincial liaison is undoubtedly an overriding requirement. As far as my area is concerned, I believe that the provincial government has been very interested in going ahead with various programs, and it is evident that there will have to be co-operation between the two levels of government.

It is very interesting to note that although Ontario is the wealthiest province in terms of personal income, approximately 20 per cent of the Canadian low income farm families are within the boundaries of Ontario. In the north

there are strong regional concentrations of rural poverty. Northern Ontario possesses regions that are facing different problems. Any over-all policy for developing the area must take adequate account of this diversity, and selective programs must be adapted to the particular needs and prospects of the varied subregions.

One of the important things we must consider about northern Ontario is the fact that there are significant natural resources. Near Moosonee we have deposits of lignite unequalled, we have deposits of columbium which are being developed, and we have the possibility of oil wells throughout the whole of that area. Of course the rich forest industry is concentrated in northern Ontario and that is our principal industry.

The big problem we have to overcome in northern Ontario is first of all that of transportation and accessibility. Everything we mention seems to come back to the old problem of transportation. There are not enough roads and the service offered by the railroads is inadequate. The question of freight rates is uppermost. If we want to induce industry to come into the north, we have to make sure they can send their products out to market at a reasonable rate. If we want to encourage local farmers to raise beef cattle, we have to assure them that they can send their animals to the slaughterhouse at a reasonable rate. If we want to encourage people to grow vegetables, we must be able to tell them that their products can be sent to market at a reasonable rate. But the present situation in respect of freight rates is such that none of these things can be done advantageously.

• (4:00 p.m.)

We have, as I have said, a very important industry in northern Ontario, that of forestry. Various people in this area have opened factories to make plywood and other by-products of the forest industry. They are constantly running into difficulties and cannot compete with other Canadians on the market because they have to pay such high rates to ship their products on the railroad. Is this the way to develop the north? It is not. This is why I am so confident that our governement will take a close look at all these problems. It is going to consider regional development for northern Ontario from every aspect and come up with answers that will make it possible for our people to live in a reasonable fashion.

When we come to plans such as ARDA, the Prime Minister knows, because he and I went over the figures together, that not one cent went to developing anything in my riding. Of course the people have to request these things, but they do need some guidance. I know that some money was spent in the region to research a new type of blueberry. That certainly did not help the local people very much. When we asked why more had not been done, the bureaucrats gave us the answer that "Ontario does not have easily definable regions of concentrated rural poverty." That is a typical, bureaucratic answer and it is the kind of answer that will not do. I hope that the minister who has taken over the new department of regional development will not listen to that kind of reasoning, but will go ahead and develop our northern area.

The recent approaches to the problem, as described by those who have made a study of regional disparity, have stressed the over-all dynamic aspects of regional development in relation to the national economy as a whole. In this way Canada will accept sacrifices not only for the future benefit of less developed regions but for the future gain of the entire country. Moreover, sources of potential development will be sought all across Canada and not just in such traditional areas as the maritimes. In that search there will be put forward no misleading averages for provinces in order to hide the real truth about depressed areas.

Also, there is a consensus among the scholars that it is very much in the interest of society at large for a high standard of social services to be maintained in all rural areas, even those where sparse population makes these services more expensive than elsewhere. This is particularly important with respect to education.

If you will permit me, Mr. Speaker, I would like to mention here the cultural situation in the riding of Cochrane. I would like to see, in the whole development of the northern area, some consideration given to culture. Why should our young people be deprived of that which others in the south are receiving? There is no such thing as a cultural centre in my riding. I am trying right now to get the government to take over a building—which, by the way, they could get for practically nothing—in the town of Kapuskasing. Part of this building could be used as a cultural centre, and I suggest that the other part could be used as a forestry training school. This would benefit the area and would be good for the future of the young people.

I hold in very high esteem in this country, Mr. Speaker, the national youth orchestra. In fact, I go to hear it every year, even if it means travelling several miles to do so. I do this because I think it is one of the finest projects in Canada. I would like to see some of our young people from northern Ontario selected for that orchestra. But how can they possibly be considered when there are no facilities for culture in the north? This year the national youth orchestra had a member from the Northwest Territories, which leads one to believe that Yellowknife has far more to offer culturally than northern Ontario, a mere 500 miles from Toronto. This situation must be corrected, and I hope it will be part of the over-all consideration when we are talking about regional development in northern Ontario.

According to modern thinking in general, public funds in the past which have been ineffectively spent in the less developed regions could have brought a high return if ways had been found to channel them into social infrastructure improvements within the depressed rural communities.

I would like to speak about agriculture, Mr. Speaker, but because of the shortage of time I will mention only one aspect of agriculture as it affects my area. I refer to the situation of the market for potatoes. I wonder how many hon. members have gone into a supermarket in Toronto, Montreal or Ottawa and seen a sign saying "Cochrane potatoes". Nobody has, of course. I venture to suggest that hardly anybody in the house is aware that there is a fine Cochrane potato. Every year potatoes grown in the Cochrane area take awards. The soil in our part of the country is conducive to a heavy crop of potatoes, yet most people have never heard of the Cochrane potato? Why? We have heard of Prince Edward Island and New Brunswick potatoes, which travel a great deal farther to the market. This is an area which has to be developed.

Again we come back to the old problem of freight rates, which are too high to allow people to compete in the market with farmers from Prince Edward Island and New Brunswick. There is no reason why a potato chip factory could not be established in northern Ontario, but of course we would have to assure such an industry that it would be able to send its products to markets in the south, on payment of a reasonable rate.

One of the main possibilities for our part of the country, when one is considering regional development, is tourism. Attractive areas are numerous and tourists can enjoy many pleasant activities, such as fishing and hunting. Unfortunately the tourist industry is not fully organized in most of the region. This is a field in which the government can help. There are not sufficient roads, and there is a lack of motels and hotels. Of course the tourist industry is under the control of the provincial government and action should be taken by them to improve roads, publicity and accommodation; but there is no reason why the federal and provincial governments cannot work together in this matter. There is certainly room for more government programs in the riding of Cochrane.

[*Translation*]

Mr. Speaker, northern Ontario will remain an underdeveloped region as long as the problem of the high cost of transportation remains unsolved. The absence of secondary industry is harmful to the economy of any area, for primary industry has great drawbacks. Agriculture and the lumber industry are seasonal activities, while mining may be interrupted because of poor lodes or obsolescence. Secondary industry, on the other hand, is relatively stable and minimizes the risk of great economic fluctuations.

It has already been suggested that a road should be constructed between Cochrane and Moosonee, in order to serve also the country surrounding Kapuskasing. This initiative would be the first step in the economic development of the area. It will certainly not be undertaken by the province alone; the province, in fact, cannot do it. But it seems to me that we could establish a joint program in order to achieve this project.

Before closing my remarks, Mr. Speaker, I should like to mention something that concerns me greatly. It is the lack of authority on the part of the government concerning crown corporations. When a member asks a question in the house about one of those corporations, the answer is invariably: I do not want to meddle with the administration of that corporation, because it is autonomous.

Mr. Speaker, perhaps we should adopt another attitude. The Canadian people are paying and we are here to represent them. It seems to me that we should have our say in cases of maladministration of these companies.

As an example, the Canadian Broadcasting Corporation, so they tell me, is full of separatists that are remunerated by us, the taxpayers, to enable them to work against us. It

seems to me this situation should not exist. On the English network of C.B.C., we hear nothing but voices with foreign accents. Does it mean that nobody in Canada is able to contribute to the corporation? Evidently, we should be able to express our opinion on that.

We could say the same thing about the Canada Council, the Canadian National, the National Arts Centre which is close by and which has cost $45 million to date. One forty-fifth of that sum could have helped build cultural centres everywhere in the riding of Cochrane.

But what is going on? These corporations have been left alone, in their independence, but they have been spending our money. Then, maybe the time has come to have a look into this and change our way of thinking as concerns the administration and authority of these crown agencies.

A while ago, I referred to the Canadian National. Do you know, Mr. Speaker, that the railway service in the Cochrane riding was better 50 years ago than it is today? I cannot exactly call this progress. Rather, it would seem that we are going backwards. The situation needs to be corrected and I hope that this government will keep all these considerations in mind when setting up the northern Ontario regional development program.

Mr. Speaker, we have always been left out in northern Ontario; my constituents feel that we are neglected. I am sure that this government, with our new leader and the new team, will take steps to improve the situation, so that prosperity may be enjoyed not only in the Cochrane electoral district but also all over northern Ontario.

• (4:10 p.m.)

[*English*]

Mr. Mark Smerchanski (Provencher): I should like to add my congratulations to Mr. Speaker upon his recent elevation at the first session of this parliament to the high position of permanent speaker. I hope that the legislative assembly of the province of Manitoba will adopt a similar rule to the one adopted by this house, and will also elect a permanent speaker. I also wish to congratulate the mover and the seconder of the address in reply, the hon. member for Madawaska-Victoria (Mr. Corbin) and the hon. member for Kamloops-Cariboo (Mr. Marchand), both of whom gave an excellent account of themselves.

I have the pleasure of representing the constituency of Provencher and of bringing from western Canada Liberal representation for that constituency. I wish to express my appreciation to the constituents in my riding for having placed their confidence in me and having selected me as their Liberal member of parliament. Of course I do not possess the powers of elocution or the eloquence of some other hon. members of this house, but as an engineer I shall try to do my best.

My constituency is 225 miles long and slightly over 75 miles wide. It covers a total area of some 17,000 square miles and has a population numbering 60,000. I can say truly that my constituency is a land of great variations. In its southern portion it has the lumber industry, the dairy industry, cattle raising and grain farming. Some of the largest poultry and turkey farms in Canada are to be found in its central part. In its northern part there is fishing, fur farming, trapping, mining, the pulp and paper industry, and one of the most modern atomic research plants at Pinawa, which is known as the Whiteshell nuclear research centre and is one of the world's first organic cooled heavy moderated reactors to probe the mysteries of the atom and harness its energy for peaceful uses.

We also have five hydroelectric power plants on the Winnipeg river which supply electricity to the city of Winnipeg. The major portion of the northern section of the constituency is covered by rock outcrops known as the pre-Cambrian shield. Hundreds of lakes and rivers are to be found there. They are ideal for sport, sailing, fishing, swimming, camping and canoeing. Also solitude can be found in the more remote areas of this constituency, at a very short distance from the busy vacation resorts.

I should like to take hon. members through a small part of the historical background of my constituency. The Red river which originates in North Dakota flows north into lake Winnipeg and forms the western boundary of my constituency. The Winnipeg river flows across the middle portion of my constituency and empties into lake Winnipeg. These two rivers are very symbolic in the western Canadian history and played a great part in the development of the west.

In 1812 the province of Manitoba was settled by the Selkirk settlers who came to York Factory in the Hudson bay, and then travelled in York boats to lake Winnipeg and up the Red river to establish the Red river settlement. In recent years I travelled this route by canoe and marvelled at the hardships encountered by these men and women who

travelled in the York boats through the mosquito and blackfly infested swamps.

For many years the Winnipeg river served as a historic water highway for the fur traders who came from Montreal to the head of the lakes, and then continued west and over the height of land into the headwaters of the Winnipeg river. This is a fast, treacherous river, and some of the hardships which the voyageurs encountered while travelling down the Winnipeg river are unknown to today's travellers. The present area through which the Winnipeg river flows is generally the same as it was 200 years ago.

In 1738, Jean Baptiste La Verendrye was the first explorer to discover the beautiful Winnipeg river. This explorer-voyageur in search of the western ocean, discovered the fur rich northwest and lake Winnipeg. Little did he realize that the Winnipeg river is only half way between Montreal and the Pacific ocean. However, it became the most important and the most travelled water highway for the thousands of brigades of freight laden canoes which came and went from lake Winnipeg. Mackenzie and Simpson, the founders of the Hudson's Bay fur trade, were frequent canoe travellers on the Winnipeg river.

• (4:20 p.m.)

The explorers and voyageurs were followed by many men from new France and the British Isles, a large percentage of whom remained in the area and took Indian wives. Today their children are known as the Métis. Today, in the constituency of Provencher, the past is remembered with pain, pride and hardship. Time has helped to heal these wounds. Time has taught tolerance and understanding to those who came into this area from distant lands seeking a new life. These people knew what poverty was and won their own war on poverty through hard work. They became good citizens of Canada. Today there are over 20 different ethnic groups working and living together in my constituency. These people, their fathers and forefathers, live together harmoniously, contributing their talents and energies to this fine land of ours, not only the province of Manitoba but the country as a whole.

These people have not and do not believe that any government, whether it be federal or provincial, should take care of them from the cradle to the grave. My academic training has been in the field of geological engineering. I am fully aware of the potential, and of the development of our natural resources in most of the mining areas of Canada, whether in New Brunswick, in the Gaspé, north of Noranda, in the Elliot Lake uranium fields, in the nickel-copper sections of northern Manitoba at Thompson and Flin Flon, in the copper occurrences along the Coppermine on the shores of the Arctic ocean, in the silver development in the Osoyoos area of southern British Columbia, or the magnetite, sand and iron deposits in the Queen Charlotte Islands. I am pleased to be a Canadian when I see the potential wealth of this great country of ours.

However, Mr. Speaker, I cannot help but become involved and enthused in so far as the speech from the throne is concerned. It describes the policies of the Liberal government. These policies resulted in the election of the Liberal party by the people of Canada. During the last few days we have heard such critical phrases as, "tidying up", "new ventures", "secret society", "use wisely the human resources in the country". I find myself in complete disagreement with these phrases. Our Prime Minister (Mr. Trudeau) and our just society came through the election campaign with 154 seats, as against 110 scattered among the other parties. This is proof of the appeal these measures had for the people of Canada. I believe, and I believe very strongly, that all of us in this house should apply ourselves to criticizing constructively and contributing to good government. What we do or say will make tomorrow a possibility.

In particular, Mr. Speaker, I want to compliment the government upon the placing of ARDA, FRED and ADA under one department. This combined and unified effort will produce results. We truly have an excellent opportunity to develop manpower programs, make regional improvements, and thus give to the people of Canada as is stated in the speech from the throne, "as equal access as possible to the opportunities of Canada's economic development". Limits should be instituted on the assistance given to costly industrial plants, because most of them are highly mechanized. They use a limited amount of labour. Instead, small industrial development should be encouraged in the rural sections of our country. These would provide jobs in rural areas and displace poverty. Small business development funds should be encouraged by the government in participation with free enterprise. Let industry have a vested monetary interest and in addition provide the management and know-how for industrial development. The government

should not be directly involved in this type of program. I repeat, Mr. Speaker, that we now require the same type of free enterprise as that which built Canada economically and industrially to the point at which we find ourselves today.

In this way we would give the residents of the poverty areas of our country an opportunity to earn a reasonable wage, recover their pride and restore their dignity. We would give them an opportunity to contribute to the success of a just society. The effort has to come from the people within the areas now described as poverty areas. The establishment of small industries throughout the rural areas of our country will make Canada grow. There are too many people leaving the rural areas and crowding into the urban areas, which have become greatly congested. I am firmly convinced that this government, under the leadership of our Prime Minister, will not only talk about these problems but will do something about them.

• (4:30 p.m.)

This is not the task of the Prime Minister alone, Mr. Speaker; this is the responsibility of all elected members of the House of Commons. I too am concerned and worried about the impact of continued unrest and violence upon the mood of the Canadian people, and about the resulting social problems. A great deal of this unrest is, because people are idle, on welfare or not gainfully employed. There is a great deal of frustration about this kind of violence which, if allowed to continue, will lead to social paralysis.

The forefathers of the citizens of Canada, Mr. Speaker, were sturdy pioneers who developed the country and laid the foundations for our agriculture, our transportation network, industry and our economy. I believe that in this house, and particularly on the government side where there are so many new members, there are capable and competent representatives who, in their own way, will blaze new trails and will continue to pioneer and lead us forward to further economic development, responsible living and good fellowship, and thus bring about a more united and better Canada in which to live. I have no hesitation whatsoever in recommending to the care of these new and competent members of parliament the future of Canada. Indeed, the future will take care of itself. We may at times, Mr. Speaker, suffer disappointment but we will certainly not become discouraged. If we do become disappointed we should make immediate plans to try again. This type of approach when taken by government, by business or by the professions will spell progress.

Mention was made the other day of the fact that our defence and military expenditure is too high and unjustified on the one hand; on the other hand we were told that we were not taking a positive enough stand to restrain the Nigerians from annihilating the Biafrans. I cannot reconcile these two types of thinking, Mr. Speaker, coming from the same source, on the same afternoon and almost within the space of a few minutes. If we are to be responsible members of this house I think we owe a duty, not only to ourselves but to each other, at least when we rise to our feet to channel our thinking in such a way that we do try to remember what we have said before.

The throne speech outlined a number of matters about which there is urgency. For example, the government is proposing a Freshwater Fish Marketing Act, the establishment of a National Grains Council, amendments to the Farm Machinery Syndicates Act, the Farm Improvement Loans Act, the Farm Credit Act, the Prairie Grain Advance Payments Act and the Fisheries Improvement Loans Act. These are but a few of the far reaching and progressive programs that are to be dealt with at this session of parliament. When one realizes the supporting information that is required and the large amount of research and hard work that is necessary before passage of these bills, Mr. Speaker, then perhaps the opposition may understand why there are 47 bills now before the house.

The prospect in store for me as the new Liberal member of parliament for Provencher, Mr. Speaker, is truly a challenging one. I shall apply myself to the best service of my constituency by pledging myself to work diligently and conscientiously with government members during the current session. Let us have all the various specifications and analyses of every kind—call them what you will —but we must get on with the job of providing the necessary background to, and the favourable atmosphere for, the economic and industrial development of this country, and the creation of a just society.

This country, Mr. Speaker, does not owe any one of us a living, but it does owe all of us the opportunity to make good if we so desire. In this regard our model—a model that has been quoted by others—should be,

not what one can get from one's country, but what one can give one's country.

Mr. Mongrain: Mr. Speaker, would my hon. friend from Provencher (Mr. Smerchanski) be willing to answer a question?

Mr. Smerchanski: Yes, I shall try to answer it.

Mr. Mongrain: I heard my hon. friend mention the name of La Verendrye as a discoverer of the west. Does he know that La Verendrye was a native of my riding and that he lived there all his life?

Mr. Smerchanski: Mr. Speaker, I was not aware of that, but if he was, then that makes us related brothers from Provencher.

Mr. Mongrain: He was from Trois-Rivières.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, my first words will be to congratulate you warmly on your election as Speaker of the house, but the fact that you have obtained the full confidence of all members easily explains the respect which is shown to you everywhere, and I am quite pleased to point this out.

Allow me also, Mr. Speaker, to congratulate the right hon. Prime Minister (Mr. Trudeau) as well as the ministers, the party leaders and all the members for having obtained the confidence of the people whom they represent. To all, I extend my best wishes of success.

Needless to add that I would have been pleased to congratulate the new Quebec Conservative members, but I realize that I will have to wait until the next elections.

Mr. Speaker, I certainly would have many things to say, but due to the time allotted for my speech, I will, in the next few minutes, take advantage of this occasion to be practical in my judgment, even though this may seem difficult for some to accept. At any rate, I am convinced that my opinions are permeated with a sincerity which everyone is looking for and I am equally convinced that truth will serve my constituency, my province and my country.

Mr. Speaker, needless to tell the right honourable Prime Minister that everyone living in my constituency and in *la belle province de Québec* is anxious to see as soon as possible the realization of the just society which he promises. I need not tell you, my dear colleagues, that I wholeheartedly endorse this noble ideal called the just society.

Before going any further, I think it is essential that I say why I spent so much energy and worked so hard to get a seat in this house. It is precisely because I hoped—and I still hope—to give the province of Quebec and the French-Canadian people the representation that is essential to its emancipation and its expansion, all this for the greater benefit of Canada as a whole.

As a newcomer to this house, Mr. Speaker, I am convinced that I represent, first of all, the aspirations of my fellow-citizens on the provincial level. What I say may be disputed, but I am firmly convinced that my first duty in this house is to work for my province as a whole. Similarly, I recognize that the same duty falls to my colleagues of the various other provinces. If we do so, together we will build marvelous provinces, co-ordinated, of course, by the central government. I say "co-ordinated" and not "centralized", because I see a huge difference between the two. That very fact will bring us to build a country and the provinces will be proud to be a part thereof.

• (4:40 p.m.)

I shall limit myself to a very few remarks on the Speech from the Throne, because those who preceded me have said so much that we will end up thinking that the Prime Minister should never have presented such a program at the opening of the session.

I will say right away, Mr. Speaker, that I am well aware of public opinion regarding the loss of valuable time in the course of each session. I do not have to tell you that I am very interested in changing our parliamentary procedure which will, above all, preserve the practices of a true democracy. Being a new member, it comes to my mind that instead of wasting about ten days in reply to the Speech from the Throne, which is really a repetition of criticism or an oratorial contest, I wonder whether it would not be more logical to allow the party leaders the liberty to edit this speech, if necessary, to approve it or to submit suggestions that would improve the agenda of the current session. This would, in my opinion, eliminate this loss of time in order to deal with priority legislation in the best interests of the Canadian people.

Among other things, it is regrettable that in the Speech from the Throne the right honourable Prime Minister thinks about constitutional reforms over a long period of time. You will agree, Mr. Speaker, that as a Quebecker, I

cannot ignore such a declaration. Perhaps the right hon. Prime Minister has considered that, due to a rather important vote of confidence he has obtained in the province of Quebec, he is justified in postponing constitutional reforms. If such were the case, he would commit a tremendous error in repeating everywhere that Quebec is a province like the others. This is not right and he knows it.

How can a just society be achieved if, at first, the state of mind and the particular status of French Canadians living in Quebec are not recognized? Whether it is admitted or not, I say there exists a French-Canadian nation in this country and 85 per cent of its people live in Quebec. On behalf of this nation, Mr. Speaker, I want you to believe that there is an urgent need to elaborate this new constitution. Furthermore, in the interests of Canada and considering the future of our country, this is a serious warning I am giving. It is quite urgent that all the party leaders show courage in order to have the rest of the country admit the fact that Quebec is not a province like the others. Only then, realizing our differences and each having his own mentality and his own way of thinking, will we be able to sit around the same table and build the most beautiful country in the world. I would be shirking my duty if I did not say that.

I agree with the Prime Minister when he says that it is not what he says that is important, but what he is going to do. It seems to me that he will find it hard to escape what he said in Montreal on April 2, 1967. For the instruction of the English-speaking majority of the country, he made some rather strong demands concerning the recognition of the rights of French Canadians, among others, a maximum of material and cultural freedom and comfort. He wished for a strong Canada and asserted that the best guarantee of progress for Canada itself was a strong and dynamic country.

Quebec indubitably has a special place in the national scheme. It is impossible to believe in a just society if the new constitution refuses to recognize that Quebec has a certain influence in the field of social security, manpower and vocational training, immigration, radio and television.

Eventually, the house will have to determine to what extent decentralization is necessary so that Quebec, on the one hand, and the federal government, on the other, might fulfil their role efficiently. I trust that the Quebec members in this government will take the measures and the stands required for that purpose.

May I be allowed, Mr. Speaker, to deeply regret the attitude of this government with regard to a recent decision, namely the winter works program. I have heard the answer given by the Prime Minister to questions put to him recently in the house to the effect that the municipalities were expecting that decision. What is inacceptable, in my opinion, is the fact that such a decision has been taken without official consultations with the municipalities.

In my riding and everywhere in Canada, municipal budgets had been prepared on the basis of those subsidies. Furthermore, it was done at a time of the year, when we already have more than 400,000 unemployed, whereas those works represented for our economy $200 million in wages, materials and so on. I say it again, so that the right hon. Prime Minister can hear it, a just society, it is not quite that.

Mr. Speaker, let us hope that a just society will, in the shortest time possible, attend to the discrepancy between the pensions of the disabled and the blind and those of the old people.

I would not like to miss this opportunity to ask, in the name of justice, that the package bill be introduced in part at first. In view of the various mentalities and beliefs prevailing in this house, a free vote on this question, in due time, is absolutely necessary if we truly believe in a just society.

Before closing my remarks, I too should like to tell the hon. Minister of Transport (Mr. Hellyer) that the new international airport would provide for a great deal of opportunities if it were built in the area which I represent. Therefore, in view of the fact that a portion of the north bank of the St. Lawrence river is adjacent to my riding, I think that it would be appropriate to carry out a study on the establishment of the maintenance centre in Lanoraie, which in the first place, would relieve traffic in the Montreal harbour, while at the same time contributing greatly to the economic expansion of that area.

Along the same lines, in view of the fact that, in the northern part of the Montcalm riding, the tourist industry is the first source of income, I would be very happy to see a study carried out on the feasibility of a small airport for two-engine aircrafts in St. Donat. I am convinced that such a venture would

provide for the economic stability necessary and longed for in that part of my riding.

I cannot finish my speech without urging the Minister of Agriculture (Mr. Olson) to act quickly in order that the producers and farmers whom I represent may have the advantage over imported commodities to sell their products.

I must yield to another member, but allow me, Mr. Speaker, to acquaint the Prime Minister with a thought which often occurs to me: What can a member do for his constituency when he is in the opposition? To that, I answer that the undertaking of Prime Minister to establish a just society leads me to believe that the constituencies represented by the members of the opposition in a just society should receive the same attention than those of government members. If I am wrong, I would appreciate it very much if the Prime Minister would let me know.

Mr. Speaker, my colleagues may rest assured that I have duly considered my views before stating them. I have done so, merely to serve my constituency, my province and my country, Canada.

• (4:50 p.m.)

[*English*]

Mr. Bruce Howard (Okanagan Boundary): Mr. Speaker, first of all I should like to say how honoured I am to represent the people of Okanagan Boundary in this house and to speak in support of the government in this speech from the throne debate. I am particularly pleased to represent Okanagan Boundary riding because this is the first time since it was formed 64 years ago that our area of the country has been represented by a member of the Liberal party. I am most grateful to my constituents who have given me this distinction but I am mindful to a greater degree that they have placed their faith in the great leader of the Liberal party, the right hon. Prime Minister (Mr. Trudeau).

Although Okanagan Boundary has not been served by a Liberal member before, it has been represented by men whom many of the members of this house will remember. My immediate predecessor, David Pugh, of the Progressive Conservatives, served in this house for ten years.

Hon. members will remember too the late O. L. Jones, a member of the C.C.F. party, who served with renowned dedication to the affairs of this house and his riding. In earlier years a distinguished politician and member of the Conservative party, Hon. Grote Stirling, contributed wisely and well to his constituents and to the history of the nation. It is my hope that I will do no less than their worst efforts and, God willing, that I may equal their best.

It is a tradition of this house that a new member may describe the beauties of his riding for the enlightenment of hon. members and the nation. As Okanagan Boundary riding encompasses some of the most attractive scenery in Canada, and as this is so widely known and so generally acclaimed, I will only mention it in passing because it is important to what I have to say a little later on.

When the first white men travelled through the valleys of the Okanagan, Similkameen and Boundary country, when they established the fur brigade trail from Fort Astoria through the Okanagan to Kamloops in the first half of the nineteenth century, they found a region of beautiful but unusual geography. Much of the region was arid, dry. The Okanagan valley is like a finger of the Great American Desert pointing across the 49th parallel into the heart of British Columbia. Water was the problem then and water is the problem now. Water will be the problem in the future.

Early settlers discovered that these arid bench lands would bloom like the Garden of Eden with the application of water. Today every orchard, ranch and home depends on plentiful artificial irrigation for its existence. Without it land returns quickly to sage brush, grease wood and cactus.

Just 20 years ago the first good paved road connecting the riding with Vancouver was built, and the tourist industry began in earnest. Since that time the population has mushroomed. Demand for water throughout the whole watershed has increased seriously and pollution has become an alarming factor. In the last seven years alone the population has increased by 25 per cent. It is anticipated that this increase will continue and accelerate.

Water consumption now averages about 340,000 acre feet per year. The average supply is approximately equal to the demand, but in dry years it is as low as 80,000 acre feet per year. We have a serious problem. If there were two dry years in a row the people of Okanagan would have nothing to drink but apple juice. A proposal to divert water from the Shuswap river has been made and this may solve the problem, provided a satisfactory arrangement can be worked out with the

residents of the area from which the water would be diverted.

I said pollution was an alarming problem—alarming because the pollution time clock has suddenly started to speed up. Estimates of the time available to solve the problem made by knowledgeable authorities only three or four years ago have been reduced from 15 years to ten years, to five years, and now it is feared that in the case of at least one lake it may already be past the point of no return.

At this point I wish to digress very slightly to say that the pollution I am talking about is not raw sewage. Dr. David Clarke, a highly qualified, Harvard-trained medical health officer of the South Okanagan health unit, recently said, "We have about $5 million in sewage treatment facilities in the Okanagan and they are as good as any around." What I am talking about is the eutrophication of water, the growth of green and brown algae, vegetable matter, the kind of thing that occurs because of the input of fertilizers—fertilizers like phosphates in household detergents.

The people of Okanagan Boundary riding are prepared to help themselves in dealing with this problem. The city of Penticton, for example, has installed a system to pump treated effluent on to agricultural land for irrigation. The city of Kelowna will build a $1,370,000 tertiary treatment disposal plant this year. It will be the most modern plant in Canada, and I would point out that the cost will be borne by a city of 17,000 people. If outside assistance from the federal government were available, variations in the operation for experimental work could be included and all Canada would benefit. The problem is bigger than individual communities can meet. It is a problem that requires the active co-operation of all three levels of government, if it is to be solved.

I am sure, Mr. Speaker, that no member of this house is in favour of pollution. I am equally sure that no member of any provincial or municipal administration in Canada is in favour of pollution. But despite the avowed concern of all, the problem is not being solved fast enough. Rivers—yes, they can be brought back if badly polluted; but eutrophication of lakes may for all practical purposes be irreversible beyond a certain point.

Wherein lies the problem? The federal government has done much, that is true. The Burlington centre is an outstanding contribution to the study of pollution. In many other ways this government is to be commended for doing most of what is being done in Canada in this field today. But the most important link in the problem has yet to be forged. I refer to the need for effective co-operation between all levels of government, municipal, provincial and federal.

Inter-government co-operation so far has been almost a total failure. Pollution cuts across the jurisdiction of all levels of government. Each has its own rights and responsibilities, and all must work together. If ever there is to be a test of effective political manoeuvring it will be in creating an effective three level striking force to battle the causes of pollution.

I am well aware that the federal government has attempted to work with the provincial governments on this matter. Ottawa, ever sensitive to the need of provincial governments to appear competent in their own jurisdictions, has been extremely cautious of moving too fast, of stepping on provincial toes. Mr. Speaker, there is a time for caution and a time for action. In the case of the Okanagan water basin it is a time for emergency action.

• (5:00 p.m.)

Nearly two years ago, the then minister of energy, mines and resources proposed at a pollution conference in Montreal that his department would be prepared to enter into agreements with the provinces on investigation leading to the preparation of regional framework plans for water development. This offer was repeated again in a press release from the Department of Energy, Mines and Resources dated May 5, 1967. To this date, the provincial governments of Canada have given little response to this offer. It is time then that this government took more direct action. Pollution will not wait. The people will not wait. The people of Canada must be told again that the federal government is ready, willing and able to act.

On behalf of the people of Okanagan Boundary riding I am asking that this government make it publicly and abundantly clear again that it is willing to enter into an agreement with the province of British Columbia to establish a water basin demonstration district in the Okanagan watershed.

I said earlier that water was the problem, the very life of Okanagan Boundary riding. A water basin demonstration district would provide the research for our pollution problem and it would tackle the problem of the total

supply of water for the region. It could determine how soon our limited reserves of water will run out, where to acquire more water without disturbing existing interests elsewhere and how to supply water to arid regions without water now.

There are other ways that this government can tackle pollution and I should like to suggest two of them now. A major cause of pollution in many areas is the phosphate found in household detergents. Scientists estimate that as much as 35 per cent of this phosphate in our lakes and streams comes from this source. If this is true, then we must take effective action to eliminate this factor. We could encourage industry to find a suitable substitute by grants for research and, after a suitable period, we could and should penalize or even prohibit the use of phosphate-laden detergent.

Another area where this government could act now is in grants to industry for approved pollution control measures. At the present time, capital cost allowances are made to industries for this purpose but this method is wrong, in that an industry has to make a profit before it can take advantage of a tax write-off. New industries and co-operatives may well cause pollution but not have any profits.

One of the better recommendations of the Carter commission was that tax payments and incentives should be separate things. If the government wants to aid an industry, it should do so directly by grants and then collect whatever taxes are due separately. Here is an example of a logical application of Carter's theory. The need for an industry to correct a pollution problem has nothing to do with what profit it makes or indeed if it makes a profit at all. Let us eliminate the tax concessions and supply equivalent grants for pollution control where they are required.

I have now spoken for several minutes on the waters of the earth. I think it is only fitting that I should raise my sights and talk about the stars in the heavens. This problem affects the people of Okanagan Boundary at this time too.

I am sure that all the hon. members of this house will understand that peculiar feeling of dismay that I had when, upon barely arriving in Ottawa as the eager new member for Okanagan Boundary riding, I switched on the television and learned that the largest federal project under development in my riding, the Queen Elizabeth observatory, had been cancelled.

[Mr. Howard (Okanagan Boundary).]

My mind went back to the warm summer day two years ago when the then minister of energy, mines and resources officially opened the road to the top of Mount Kobau. There were very high hopes that day. The minister said in his remarks:

> Now, instead of the four freedoms, we have five freedoms—for we have added the right of every Canadian to look through the best telescope in the world and see the stars!

Yes, it was to be the best telescope in the world for, even though it was not the largest mirror, it was to be made better so that Canada would be ahead of the world in astronomy. In a report in April of this year by the dominion astrophysics observatory at Victoria, it is stated:

> A comparison of this blank and the inspection reports from all recent blanks over 103 inches indicate that it is by far the best large mirror blank ever made.

Now this is all finished. Like the smashing of the Arrow we are going to throw the great project on the scrap heap. The scientists that would have been Canadians will now give the benefits of their talents to other countries. It reminds me of that song that was popular in the thirties that went, "Once I built a tower to the sky. Now it's done. Buddy, can you spare a dime".

We have been told that the failure of the project was because of financial considerations. I am sure that the people of Canada can understand the need for economies; but if that is the cause and the whole cause, then surely we can look forward to the day when we can get our shoes half-soled again. Surely, at some time in the future, a nation such as Canada can find the money to complete so noble a project. But wait: We are going to sell the mirror. The best piece of optical glass ever made is going to be sold on the second hand market. Like impoverished nobility, we are going to pawn the family jewels for some pittance in a second hand store. I say to the hon. minister, turn back. The little money the mirror will bring will never pay for our loss of national pride and self-esteem. Canadians have seen the stars.

There is another reason to take a second look at this cancellation. Ever since the days of Louis Riel western Canadians have felt to some degree an alienation from the rest of Canada. A group of eastern Canadian scientists have reversed a decision affecting western Canada, and western Canadians are angry. The government decided to go ahead with the Queen Elizabeth telescope on the best scientific advice it could obtain. On that

advice, it decided to locate the telescope on top of a mountain in British Columbia. It built a multi-million dollar road to the top of the mountain. It bought the world's greatest lens blank. It organized scientists to begin the construction of this great instrument and set up laboratories at the University of British Columbia. Then another group of scientists came to the minister and told him that the scientific secretariat was wrong.

The minister has apparently agreed with them and the project is to be abandoned totally, finally and irrevocably. What am I to tell my people? Am I to tell them that the Prime Minister's science secretariat is a group of blockheads; that they are incompetent; that they have led us into a monumental, multi-million dollar error?

It is important to Canadians and the world that this government reconsider its decision to cancel the Queen Elizabeth observatory. Canadians can and should lead the world in this field of peaceful research. If it must be delayed we can accept that, but we cannot accept the permanent cancellation of this great work. It is not too late to reconsider. Nothing of this great work need be lost and all Canada and indeed all mankind will gain.

On these matters I ask for the interest and support of members of this house.

● (5:10 p.m.)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, it has not been my policy during the years I have been in this house to join in repetition of the compliments that usually adorn the debate on the address in reply to the speech from the throne. But there is one word that I want to say. Like all members of this house I am delighted at the re-election of Your Honour as Mr. Speaker. It is indeed a tribute to the manner in which you conducted the proceedings of this House of Commons during the last parliament. It is also an indication of the belief of all members that you can lead us as we endeavour to make significant reforms in the procedures of this house. I believe, and I say this having had the privilege of taking part in certain consultations, that we are a lot closer together than the gentlemen of the fourth estate might realize. It is my hope that we will make some advantageous and significant changes in the rules and procedures of this House of Commons, and I hope we will make them soon.

It may seem strange, it may even be hard to believe, if as an opposition member I say there are some things in the speech from the throne that I like and even some things in it with which I agree. I have already indicated that I agree with the proposal that there should be reforms in the procedures of parliament. I also want to state my complete agreement with the proposition that we should work toward a just society. Likewise I give my full support to every effort that can be made to eradicate poverty. I also believe that we are going to have to develop some new programs and some new approaches to our social problems. I accept the proposition that if we are going to achieve justice for our people we have to engage in economic development even beyond that which we have experienced up to the present time. I also support the proposition that we need to concentrate on regional development and on putting an end to regional disparities. We must make an effort to see that the just society extends from sea to sea and from our southern border to the northpole.

Even after it has been said and admitted by all of us that we agree with the just society and want to work toward the eradication of poverty there is still the burning question, what about the people who need help now? It is because that question is perhaps the kind of question that best represents the appeal of the people I represent, in the inner heart of a great city, that I rise to take part in this debate.

I urge that this parliament and this government, in its enthusiasm for new programs and for a just society in a decade or two from now, must not forget the poverty, the injustice and the suffering that many Canadians are experiencing right now. I emphasize the fact that many of these people in whose name I speak will not live to see the just society, will not live to see the eradication of poverty.

I am not prepared to settle for an academic exercise that refers to something better ten or fifteen years from now. I feel that this parliament has a responsibility to make life better for people who need help now. Therefore, Mr. Speaker, without the slightest hint of apology I return in this parliament to two or three subjects that the older members will realize I have raised time and time again for more than a quarter of a century.

I wish I had the attention of at least three ministers, but I see that at least one of those whose attention I want is here. I refer to the Minister of National Health and Welfare (Mr. Munro), the Minister of Finance (Mr. Benson) and the Minister of Veterans Affairs (Mr.

Dubé). I mention these three because the particular areas of need that I think this parliament should do something about come under their departments.

First, this parliament will not be worthy of praise for having worked toward a just society unless it does something to improve the lot of our old age pensioners now. I realize that there is a tendency in this age of so-called affluence, in this period when we have done a lot in the social welfare fields, to say: Look at what we have done; we have got old age security pensions up to $75 a month, $76.50 this year and $78 per month in January; we have added to it a guaranteed income supplement which pays $30 on top of that for some people, and we have done a lot in this field, so why can't people like the member for Winnipeg North Centre leave this alone for a time?

This cannot be left alone because too many of our pensioners and too many of our older people hear on the radio and see on television comments about a just society, but their experience is one of struggle just to keep body and soul together. I suggest that one of the clear pieces of evidence that we have of that need, that we have not yet done enough for our present old age pensioners, is to be found in the statistics available with respect to the guaranted income supplement. This is the extra amount of $30 that old age security pensioners can receive if they meet a certain income test. The figures from the Department of National Health and Welfare indicate that almost 60 per cent of the people who are drawing old age security pensions have qualified for the guranteed income supplement. That means that almost 60 per cent of all the people in Canada 67 years of age and over have little or nothing else than their old age security pensions. I know that many of the other 40 per cent are little better off. I might also point out that approximately 60 per cent of those who do qualify for the guaranteed income supplement qualify for the full $30, which means that they have nothing else.

All the talk in the world about a just society, about a new age and about all the things we are going to do for youth—and for God's sake let us do all we can for the youth of this country while they are young and before they become old age pensioners—will not do away with the necessity in the name of justice and humanity of doing something now for our present old age pensioners.

[Mr. Knowles (Winnipeg North Centre).]

When the private members notices of motion appear on the order paper in a day or two, as they will, hon. members will find in my name a resolution which will be no surprise to them. I suggest in that resolution that parliament at this session should raise the old age security pension to $125 a month and that it should make that amount available to all our pensioners without any means or income test on any portion of it.

I also urge that the eligible age be brought down to 65 right away, and I urge that the arrangement for the pension to be increased as the cost of living goes up be altered so that the full increase in the cost of living will be reflected in the increase to the pension. It is not good enough to have an arrangement under which that increase can be only 2 per cent per year, particularly when you realize that for a number of years after the pension was set at $75 there was no increase at all. Therefore there is all of that backlog in the cost of living increase back to the day when $75 was the fixed amount. I say the adjustment of old age security pensions should take this into account.

There is also a problem that arises because of married couples of different ages. I refer to cases where the husband can be on a pension and the wife not, or vice-versa. Even with all of the social security and social welfare programs we have in this country, and there are many, there are still many people for whom there is nothing, just because they do not fit the letter of some law. In other words, here is an adjustment that will have to be made, namely seeing to it that if the breadwinner, at any rate, of a married couple is not working, the pension should be paid for the two of them, certainly if their ages are not more than five or ten years apart.

• (5:20 p.m.)

So I urge as strongly as I can that this parliament get over the notion that I think is here far too much, namely that this is not a subject to talk about, that we have done enough about this in the last few years, that we are going on and to build a just society, that we are going to reach the millennium 10 or 12 years from now; therefore let the old age pension stay where it is.

I quite agree that there can be better ways than the programs we now have in this and other fields. I favour the concept of a guaranteed annual income—I go a lot further than a negative income tax—to provide a generous allowance to all our people. We must get away from this business of tying the right to

live to the question of whether you can get a job.

I favour the concept of greater economic development in order that we may support better welfare programs and provide a guaranteed annual income. I favour the tackling of regional disparities, and I believe this country will do these things. I hope and believe that ten years from now Canada will be a better country for all age groups. But there are people in their late 60's, 70's and 80's now who may not live to see this happen. These people are in difficult circumstances and need assistance now. I urge that action on this question be taken during the life of this parliament.

I said, Mr. Speaker, that there were three ministers whose ears I wanted to get, if I could. The second is the Minister of Finance (Mr. Benson). I come again to a particular group on whose behalf the older members in this house have heard me speak times without number. I refer to retired civil servants and their widows, retired members of the permanent armed forces, retired R.C.M.P. personnel, and so on.

The battle for something to be done for these people is a long one. I have recounted it so often that I will not do so today. But I remind the house that on May 8, 1967, a joint committee of the Senate and House of Commons tabled a report in which there was a unanimous recommendation for increases in the pensions of federal superannuates. We had the firm promise of the government that consideration would be given to that report. I personally had even more than that; I had the assurance that something would be done, and would be done within a limited period of time, indeed within a few weeks. That was in May, 1967. We are now in September, 1968, and still nothing has been done.

When I asked the Minister of Finance the other day in the question period whether something was going to be done to implement that report, I got the same old answer, "The matter is under consideration". The smiles on the faces of those on the front benches seemed to me to say, "There's Stanley again on this old question. Why doesn't he leave us alone?" Well, he is not going to leave them alone.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): These people are former employees of the federal government and we have a special responsibility to them, not only as old people and citizens but as former employees. These people hear all this talk about the just society, all this talk about an attack on poverty, and they wonder whether any of that justice will come to them. They also wonder whether any of their poverty will be removed before their days on earth are done.

The report our committee put in was a well documented report. We went into all the aspects of this question. We ascertained the amounts of money in the various superannuation funds. We ascertained the fact that the amount of interest being paid on the funds produces more money each year than is paid out in pensions. The pensioners themselves are quite convinced that their pensions could be increased by sizeable amounts without any drain on the treasury.

Furthermore, Mr. Speaker, in pleading for this to be done for retired civil servants I am pleading for the acceptance of a principle that I think we will have to put into effect with regard to pensions across the board, namely the principle that people should not be expected to live the rest of their lives on the amount of income that was indicated for them the day they went on pension.

Pensions have to be escalated. People in other sectors of society get a chance to improve their income in one way or another. Our old people are part of society. This is a day, and I welcome it, when there is a tremendous emphasis on youth, on the opportunities which should be created for youth and on the things youth should do for this country. But old age is also a way of life. Older people also have rights, and I suggest that an elementary right, justice itself, is being denied to these people when they are told, once they have their pension, that costs may go up, standards may rise, ways of life may change, but they must get by on the same amount. This means that their standard of living is deteriorated.

Therefore, Mr. Speaker, in the name of the retired civil servants, and because there is at stake here a principle that I think we have to work into the whole fabric of our pension arrangements, I urge that the government stop the stalling and delaying that we have had on this important question. The government has admitted in part the principle that pensions have to escalate. We have that, of course, in the old age security pension, now that there is the automatic arrangement for an increase as the cost of living goes up. We

have the same principle in the Canada Pension Plan. But in both those cases we have put on the 2 per cent ceiling to which I referred a few moments ago, which means that the increases people get do not reflect the over-all increase in the cost of living.

But I am pleading for more than that. I am pleading for more than just a sufficient increase in pensions, whether they be for retired people generally or retired civil servants, to cover increased costs. I am pleading for more than just enough to keep their purchasing power up to what it was; that would only enable them to buy the same basket of goods and services that they did on retirement. I am pleading for the opportunity for them to participate in the rising standard of living, in improved social conditions, the affluent society, and the rest of it. These people may be retired now, but it was their effort and work which brought this country to where it was when they retired. They laid the foundation for what we now enjoy. Therefore, surely they have the right to participate in the improvements that take place during their years of retirement.

We hear a lot about the just society. We hear a lot about humanitarian instincts. Let us apply these instincts to the young, the middle-aged, the working people and all our citizens. For God's sake let us apply them to the people who are starving in Biafra, but let us not forget this tremendous body of people in our own land, namely our retired population. According to the figures of the Department of National Health and Welfare, there are about one and a quarter million people on old age security, and in view of the fact that this is a universal program this would be the number of Canadians 77 years of age or over. Amongst those one and a quarter million people are far too many who are below the poverty line, and at the point where even subsistence is difficult.

So, Mr. Speaker, I urge as strongly as I can that the two ministers to whom I have been addressing my remarks thus far, namely the Minister of National Health and Welfare and the Minister of Finance, bring in this session proposals regarding these two matters, that is, an increase in the old age security pension and increases in the pensions of our federal superannuates.

• (5:30 p.m.)

The third group on whose behalf I wish to speak in these few remarks this afternoon is that group of veterans whose income consists in the main of war veterans allowance. I am delighted to have the attention and the ear of the new Minister of Veterans Affairs (Mr. Dubé). I forgive him for his answer to me the other day when I asked whether the matter of the War Veterans Allowance Act would be referred to any committee dealing with veterans affairs, because, after all, he is a new minister. He said to me that whatever terms of reference that committee would have, would have to be decided by the house. He knows that any motion giving the committee its terms of reference, although it has to be passed by the house, would have to be drafted and brought in by the minister. I am pleading with him, if he is not prepared to bring in legislation of his own, to see to it that this subject is referred to any committee which deals with veterans affairs.

Much has been said lately about the report of the Woods committee. It is a very interesting document. Far be it from me to claim that I have read it all. I have a copy of it and it stands about a foot and a half high. The veterans organizations have welcomed it, but it deals exclusively with the administration of the pension legislation which relates to disability pensions. It does not deal at all with the War Veterans Allowance Act, which is the legislation to which veterans have to resort if they do not have actual disabilities on the basis of which to claim their pensions. As we all know, disability pensions are granted without any means test. On the other hand, allowances under the War Veterans Allowance Act are subject to a means test. I find that generally veterans across this country find it hard to accept the fact that other people receive their old age pension and their income supplements in addition to whatever income they may already have, but when a veteran living on the war veterans allowance receives his old age security pension or his guaranteed income supplement, he receives it as a matter of right but it comes off his war veterans allowance in accordance with the means test. I recognize that veterans living on the war veterans allowance as well as the old age security pension, the guaranteed income supplement and the small amount of the war veterans allowance which they get, are receiving a little more than some others. However, I do not think this is good enough in relation to the debt this country owes them, and to the principles that were established with regard to the War Veterans Allowance Act.

As I have said many a time, most of the correspondence which I receive as a member

of parliament comes from people who are in need, such as old age pensioners and retired civil servants. There are about 45,000 retired civil servants and widows in the country. I have not yet heard from them all but it is getting pretty close to it. I welcome their letters and their support and I hope that before long we will win their case. I also receive a great many letters from veterans, but in almost all cases they are from veterans who have to depend on the War Veterans Allowance Act. It has been a godsend for the past several decades, but it does seem to me that real improvements can be made to it, and I hope the Minister of Veterans Affairs will do his best to bring in legislation on his own initiative to increase the allowances or to minimize the effect of the various means tests, particularly where other government legislation is concerned, or, failing that, that he will at least refer the matter to the committee on veterans affairs.

I can imagine what some people will say about this kind of speech. Here again is the member for Winnipeg North Centre who wishes to increase the old age security pension to $125 a month without a means or income test, who wants retired civil servants to receive increased pensions, and who wants war veterans allowances increased, and yet he has not said where the money is to come from. I make one suggestion. The government should look into the Carter report, particularly those sections of it which refer to those groups of people who are escaping taxation. No new rates need be imposed, nor does the income tax have to be increased. All that has to be done is to impose taxation on those sources of income that are escaping it, and the Carter report makes it clear where they are. The government will then have a sufficient amount of money to pay the various pension increases for which I plead, and a lot more.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): I am happy to express again my pleasure that you, sir, have been re-elected as the Speaker of this House of Commons. I look forward to the improvements in our procedures which I am confident we will make under your leadership. I wish to say again how delighted I am at the idea that we are going to work for a just society, for the eradication of poverty, for the millennium in Canada. But it will take a little while, it might even take five, 10 or 20 years. In the meantime, I want and I urge this parliament to have enough human compassion and enough realization of what suffering means to do something at least for the three groups of people in whose name I speak this afternoon: our old age pensioners, our federal superannuates and our war veterans.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, allow me first of all to congratulate you on your appointment to the office of Speaker of the house. I am convinced of your impartiality and I remain convinced that your eyes will often turn to us to allow us to ask the questions which are in the interest of the Canadian people, because the members of the Ralliement Créditiste are the voice of the people.

At the beginning of this speech, Mr. Speaker, I would like also to extend my warmest congratulations to the Deputy Speaker and the Deputy Chairman of committees on their appointment.

I would like also to congratulate the mover and seconder of the address in reply to the Speech from the Throne (Messrs. Corbin and Marchand). Their eloquence would have impressed Louis XIII, and yet they remained true to the pomp imposed on us by the British parliamentary system.

I also wish to congratulate, in this house, the member for Témiscamingue (Mr. Caouette), leader of the Ralliement Créditiste who, on September 16 last, celebrated the 22nd anniversary of his arrival to parliament. This worthy representative of the people was able to stir, in Canada, a feeling of pride in being a Canadian; in addition, he encouraged honest politics through the Ralliement Créditiste, refusing the help of election funds. It is costing our leader his health, his courage, his energy. Bourassa would be proud to hear a French Canadian fight for our rights with so much fairness. Indeed, after the great creditist speech he made last Monday night, I can say that we are at the dawn of a new era in Canada because the Social Credit will get rid of the obstacles created by man against national prosperity. The Canadian people, on their own initiative and by their own efforts, will bring about, through the Social Credit, an era of prosperity, liberty and security for all.

• (5:40 p.m.)

Since I represent here the riding of Frontenac, let me describe it for you. It lies south

of the south shore of the St. Lawrence. Laurierville, Plessisville, St. Ferdinand d'Halifax, Inverness, Black Lake, Thetford Mines and Courcelles form its boundary and it includes 42 parishes and 34,000 voters. It is surrounded by good creditist neighbours, the ridings of Beauce, Lotbinière, Lévis and Richmond.

As everyone knows, the historic name of Frontenac comes from France. Count Louis de Frontenac, born on May 22, 1622, in the castle of Saint-Germain, was the son of Henri Buade, a comrade in arms of Louis XIII. In June of the same year, Louis XIII became the godfather of a baby who was later to become the Count of Frontenac. Educated by the Jesuits, he later took part in several campaigns during the Thirty Years' War as field-marshal. In 1672, he was appointed Governor General of New France. He had married in 1648 Anne de la Grange, who stayed in France to help her husband at the French court. On June 28, 1672, Frontenac sailed for New France from La Rochelle. Since he had had worthy predecessors in the persons of the sieurs de Courcelles and Jean Talon, there were no great administrative problems. Frontenac was twice in New France. Rather like some Créditiste members of Parliament, he came back a second time.

It was in 1680 that the Sieur Provost, commanding officer of the city of Québec, was informed by Abenakis indians from Acadia that a fleet was sailing towards the St. Lawrence from Boston. Realizing the attack was imminent, Frontenac ordered all available troops to be brought to Québec. Three days later, the Boston fleet sailing towards Québec under the command of Sir William Phipps was within sight shortly before 10 o'clock, on October 17. A pinnace with a white flag left the flagship and brought Major Savage to Château Saint-Louis where he presented Frontenac with an ultimatum, calling upon him, for his security and satisfaction, to accept immediate and unconditional surrender; failing this, the town would be stormed. Frontenac replied that he would not wait an hour before giving his answer, which became historical: "No, I can only reply to your general from the muzzles of my guns."

That proud reply of a patriot made immortal the name of Frontenac. Indeed, in the city of Québec, the famous Château Frontenac enshrines the names of the discoverers of Canada.

In this year 1968, the voters of the riding of Frontenac also said to those who contributed to the Liberal party campaign funds—in short, they said to the world of finance: "Go tell your master that we will answer through a Creditiste vote", for everyone has known for 100 years now that both grits and tories made fine promises, but did nothing about them. Concerning the team led by the Prime Minister (Mr. Trudeau), the absolute majority he asked for has done nothing but, as a result of the Speech from the Throne, disappointed the people. "Trudeaumania" was brought about by a well-organized, highly expensive progaganda, after the style of the Beatles or with the enthusiasm of Elvis Presley, and has given rise in Canada to what we could call "Trudeaufraud", because the people have been misled as to the true intentions of the government. First of all, we hoped that family allowances would be raised as the cost of living increased, and we expected interest-free loans to school boards and municipalities, as is done in foreign countries. Nothing of the kind has materialized. On the contrary, we see a government disconcertingly uncompromising because of its majority.

Here is proof of what I am saying. In Biafra so far, two million people have died because the federal troops of Nigeria want to protect the oil wells of the Shell Company. The Nigerians are pushed to commit genocide by England which sells arms and airplanes to drop bombs on the civilian population of Biafra. While that goes on, our Prime Minister refuses to give the names of the subscribers to the party's election fund. I am asking the Prime Minister and his government if Shell did not make one of those $100,000 donations, which would explain why he will not get involved in the affairs of England which, once again, makes possible the murder of civilians by selling airplanes to the federal troops of Nigeria. Mothers, children writhing in pain appeal to the Prime Minister for help to alleviate their misery. Since he has no children of his own, I can understand that he may not be too deeply affected by that drama, but I beg him to listen for one moment to the cries of those children. If he had children who were crying: Mummy, I am hungry, I am sure he would hurry to England and make an attempt to prevent the sale of offensive weapons.

Our celebrations for the opening of this 28th parliament gave no indication of the tragedy going on in African countries. Mr. Speaker, I cannot but tell the Prime Minister: You who profess yourself a champion of human rights, who, as an adventurous young man, wanted to go to Cuba to congratulate

Castro, hurry up and fly to-morrow to England to meet your masters and ask them to stop these great slaughters.

To his ministerial colleagues, I say: Understanding Liberals, who are compelled to accept such an adamant Prime Minister, arouse from your torpor, for if there was a time when remarks such as "Ti-Toine, shut up", could be heard in Quebec, now there is here a conspiracy of silence.

This is another example. The Minister of Justice (Mr. Turner) says that the package bill will be divided into several parts; the Prime Minister says: No, no and no. Everybody objects to the discontinuance of the winter works; we ask that they should be carried out for another year. The Prime Minister says: No, no and no. It is not surprising that he should say to his ministers: You keep quiet, because in *Cité Libre*, issue of April 1962—which is fairly recent—he stated and I shall quote word for word because we are often accused of not doing so. For those who would like some information, all these details can be found here at the parliament. Therefore, I quote from page 4 of the diary written by the present Prime Minister, in the March 1961 issue of *Cité Libre*:

For instance, the contempt shown by the English for the French language never appeared to us equal in depth and in stupidity, to the contempt of those among us who spoke and taught it so abominably. The infringements upon the educational rights of the French Canadians in the other provinces—show the mediocrity—

Let my Liberal friends note this:

—the continuous mediocrity of our representatives in Ottawa.

Those were the words spoken by Mr. Trudeau in 1961.

I continue with a quotation from the same magazine *Cité Libre*. As may be seen on page 6 of the June 22 issue, the present Prime Minister stated:

• (5:50 p.m.)

... when St-Laurent gave his blessing to the Duplessis policy in the Ungava; when the party, as one man, declared against the provincial income tax; when Mr. Lesage was a centralizing federal minister; when Mr. Lapalme, imposed upon Ottawa to get rid of Godbout, still fought desperately to free himself from the reactionary clique; when the progressive views of a Jean-Louis Gagnon were considered annoying; when an Hector Langevin was held in disfavour by the party for lending his name to the *Le Devoir* subscription campaign; when the Liberal federation was still wet behind its ears; when the newspaper *Le Canada* disappeared for lack of readers, for lack of subscriptions and lack of ideology; when, in short—and that was not so many years ago—the provincial-Liberal party was still a heavy body without soul and Isocrates spoke of its "Convention of the Last Chance" ...

Here is a last quotation from the present Prime Minister, for we could produce several of them, and time flies.

I refer this time to page 10 of the April 1962 issue:

Consequently, if we consider the few nationalistic victories won in Ottawa after years of hard fighting, we could not probably find a single one which could not have been won at a single meeting of the cabinet by one of our representatives, had he been of C. D. Howe's caliber. We have to admit it, all the French-Canadian ministers put together have almost never weighted as much as a bilingual cheque or a hotel name.

It is still Mr. Trudeau who refers to our French-Canadian ministers of that time and he continued in his article of August and September 1962, with these words:

The Quebec electorate felt, in March 1958, that, if it voted Conservative, it would be able to get rid at last of a delegation which security had made pretentious, tyrannical, backward and incompetent. French Canadians did what they knew they had to do: the party of Laurier, Lapointe, St-Laurent, the party which claimed it was the only and undefeatable champion of the French-Canadian cause, the glorious Liberal party which, and so on, was cast aside like an old shoe.

That is still Mr. Trudeau speaking, Mr. Speaker. I shall quote one last passage. I have only gone over 75 pages of the writings of the present Prime Minister, and I shall quote one last one, written in 1957, when his trend of thought was already socialist and he was turning towards the New Democratic Party. I quote:

Finally, the height of impotence, both on the part of the Liberals and of the Conservatives, was, during that whole campaign, the absolute silence maintained by both parties concerning the pipe line scandal.

When one is reminded to what extent this scandal contributed to the Liberal downfall and the return to power of the Tories in June 1957, when one sees that, within the Tory party, such international financial combines have continued to create fabulous profits for a chosen few, to the detriment of our general interest, the silence of the old parties shows clearly their capacity for action. This is all the more surprising since, on both sides, there was much talk about pan-Canadian nationalism during the campaign. The Liberals came out with the promise of a Canadian flag which they had carefully stored away during their 22 years in power.

I am still quoting our new Prime Minister. I shall now read excerpts from this last article, which shows a socialist way of thinking.

the turn of mind of a Socialist who became a Liberal. In the October 1958 issue of *Cité Libre*, on page 9, he wrote that:

> Stanley Knowles, one of the leaders of the C.C.F., commented that resolution in the *Social-Démocrate* (May 1958, p. 6):
>
> —"Do all those changes herald the end of the C.C.F.? If our loyalty to the C.C.F. had only hinged on a name, it would be the end, indeed. The time has come to build an organization which will be the party of a greater number of citizens." Since the national C.C.F. strong in its distinguished parliamentary traditions and in the support of 10% of the voters, feels compelled however to admit the ineffectiveness of its present structure, we may hope that the Quebec C.C.F. will take stock, a bit more realistically, of its true efficiency and will modify its course accordingly.
>
> But we have not reached that point. I am still trying to show the poorness of the political thinking in Quebec and even though that of the C.C.F. has been interesting, it is a fact that it has hardly been present in our province.

As he could not see a C.C.F. presence, he chose to turn toward the Liberals.

May I point out to you, Mr. Speaker, that it is now six o'clock?

[*English*]

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, before the house adjourns perhaps I could announce the business for tomorrow, which will be to continue with the address debate.

The Acting Speaker (Mr. Béchard): It being six o'clock this house stands adjourned till tomorrow at eleven o'clock a.m., pursuant to standing order, subsection (2) of section 2.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, September 19, 1968

The house met at 11 a.m.

DOMINION-PROVINCIAL RELATIONS

INQUIRY AS TO ACTION RESPECTING OFF-SHORE MINERAL RIGHTS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister. In view of the lapse of time since the Supreme Court rendered its decision relating to mineral rights off the coast of British Columbia, is the Prime Minister able to inform us whether it is the intention of the government to proceed with any further references to the Supreme Court relating to mineral rights off the coast of other provinces or is the government now prepared to engage in negotiations with the provinces regarding off-shore mineral rights.

Right Hon. P.-E. Trudeau (Prime Minister): I believe there are two parts to the question. On the question of negotiation, Mr. Pearson had indicated that we did intend to reach equitable arrangements by negotiation with the provincial governments once the Supreme Court had established the law, as it has. These equitable arrangements will have to be found in negotiation with the provinces.

With regard to the position taken by other provinces in respect of Hudson Bay, our position is that the boundaries have been well defined by the 1912 act and that they follow the coast line of the provinces.

Mr. Stanfield: My question relating to other provinces does not necessarily relate to Hudson Bay but rather to possible differences with regard to the legal proposition. In view of the questions I put to his predecessor, the former prime minister, last winter requesting a declaration of intention on the part of the government concerning whether it intended to proceed with further references regarding rights in other provinces or whether it was prepared to engage in negotiations, I should like to ask the Prime Minister whether in view of the lapse of time the government is now able to indicate to the house whether it intends to proceed by way of further legal proceedings or by negotiation.

Mr. Trudeau: I understand the question. We do not intend to proceed by further references. We intend to proceed by negotiation, and I will have a proposition for the provinces very soon.

Mr. G. W. Baldwin (Peace River): I should like to ask the Prime Minister a supplementary question which relates to the underwater resources of Hudson Bay and the agreement reached by the governments of Ontario, Quebec and Manitoba to divide those resources among themselves.

In view of the statement by one of the provincial ministers to the effect that the provinces had been led to believe that "if we agree, the federal government would withdraw", will the Prime Minister now confide to the house and to the country the nature of any negotiations or undertakings given by the federal government to these three provinces in this regard?

Mr. Trudeau: No undertaking whatsoever has been given to these three provinces in this regard, but the offer to discuss the whole subject on an equitable basis is of course open to them. However, there has been no commitment by the federal government that it would do more than that.

INDUSTRY

AUTOMOBILES—OBJECTIONS TO PROPOSED PRICE INCREASES

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the Minister of Industry, Trade and Commerce on a subject which has been dealt with before. In view of the fact that the administration in Washington has objected to the price of Chrysler cars in the United States, has the minister made a similar objection to the company in Canada, or if not does he intend to do so?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, from the beginning of this questioning on automobile prices, I have been trying to differentiate the administration of the Canada-United States automobile agreement from the general pricing policy. I have been trying to give an account of the advantages of the agreement.

The general pricing policy is one for which I am not individually responsible. The Prime Minister has already indicated what are his views and plans on that subject. This is the kind of division of subject that I have tried to convince the house should be made.

Mr. Lewis: Mr. Speaker, may I rephrase my question and address it to the right hon. Prime Minister. I should like to ask him whether it is his or his government's intention to object to the increase in price which has been announced by the Chrysler corporation.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I have not exactly followed all the context, but the hon. member knows the federal government has no control over contractual price setting between a consumer and a dealer in respect of automobiles or other similar types of goods.

Mr. Lewis: I should like to ask a supplementary question. My question did not suggest that the Prime Minister or the government would impose any control. I asked whether he or his government as a whole intended to object to the increase in price as being unjustified, in the same way that Washington has objected.

Mr. Trudeau: Mr. Speaker, could the hon. member explain the way in which he thinks we could object?

Mr. Speaker: Order, please.

[*Later:*]

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Consumer and Corporate Affairs. In view of the minister's responsibility for consumer prices, will he initiate an investigation into the increase of car prices in Canada?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I said yesterday, in answer to a question asked by the hon. member for Vancouver-Kingsway (Mrs. MacInnis), that I was considering the establishment of a committee in this area. The Prime Minister earlier said that we as a government were considering our position with regard to costs, and the publication of a white paper. All these matters are closely related to each other.

Mr. Saltsman: Mr. Speaker, I have a supplementary question. In view of the time involved in organizing the arrangements suggested by the minister, will he consider an immediate reference of this problem to the consumer advisory council?

Mr. Basford: Mr. Speaker, the consumer advisory council has not yet been appointed. I have appointed the chairman, and expect to appoint the rest of the council by the end of the month.

[*Translation*]

CANADIAN BROADCASTING CORPORATION

SUGGESTED INCREASE IN NUMBER OF FREE POLITICAL BROADCASTS

On the orders of the day:

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put my question to the right hon. Prime Minister.

In order better to inform the public on Canadian politics, does the right hon. Prime Minister intend to suggest an increase in the number of free broadcasts on the national network, in French or in English, in order to let the public know what is happening in the House of Commons?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, that is a question I should like to discuss with the Secretary of State.

[*English*]

EXTERNAL AFFAIRS

NATO—CANADIAN POSITION RESPECTING MINISTERIAL MEETING

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of reports that Canada shares the opposition of France to a NATO ministerial meeting on the implications to the alliance of the invasion of Czechoslovakia, will the minister clarify Canada's position and say whether this country is or is not supporting the view that such a meeting should be held?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as I said in reply to a question yesterday, we have been participating with other members of the NATO alliance and the council in considering the implications of the Soviet invasion of Czechoslovakia. Various proposals have been made in respect of a meeting of the council and the ministers concerned. No decision has been reached as yet. We are taking a position in accordance with Canada's interests,

and we are neither supporting nor opposing anyone else at the present time.

Mr. Nesbitt: Mr. Speaker, in view of the questions asked in this house earlier in this session and the answers given by the right hon. Prime Minister and the Secretary of State for External Affairs, will the Prime Minister give a positive assurance to the house that there will be no change in either Canada's commitment or Canada's position in NATO without prior disclosure and the opportunity for debate in this house?

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

TRANSPORT

ATLANTIC PROVINCES—REQUEST FOR ASSISTANCE FOLLOWING FREIGHT RATE INCREASES

On the orders of the day:

Mr. Charles Thomas (Moncton): Mr. Speaker, my question is directed to the Minister of Transport. In view of the fact that last week the minister could not indicate what action the government would take to assist shippers in the Atlantic provinces because of the exorbitant l.c.l. rates, can the minister now tell the house whether some form of immediate relief is contemplated?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, there have been no specific developments in this area since last week. As I indicated then, every effort is being made to find something more effective for the Atlantic provinces than the provisions which have been in force previously. However, this is a very complicated matter, as my hon. friend knows, and the range of suggestions is not as broad or as promising as one would like to see. I can assure him of diligent study at this stage in the hope that we can come up with something a little more satisfactory.

Mr. Robert C. Coates (Cumberland-Colchester North): A supplementary question, Mr. Speaker, to the Minister of Transport. In view of the fact that the increases in l.c.l. rates range as high as 400 per cent over what was previously in effect, and that these rates have now been in effect since last September, could the minister place a moratorium on these rates until he is certain the C.N.R. should have imposed them?

Mr. Hellyer: Mr. Speaker, all possible alternatives are under study, but I am not in a position this morning to indicate what the government's position might be.

Inquiries of the Ministry

DOMINION-PROVINCIAL RELATIONS

QUEBEC—DISCUSSIONS RESPECTING LANGUAGES LEGISLATION

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Prime Minister. In the preparation of the official languages bill, has the government previously consulted the government of the province of Quebec, particularly in view of the statement made in Montreal yesterday by the cultural affairs minister, Mr. Tremblay?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, we have indicated to the provinces that we would send them a copy of the bill after it was given first reading in this house in order that they may be able to express their views on the subjects, which only concern them very indirectly, in the establishment of bilingual districts throughout the provinces. The bill, of course, will deal with federal subjects, and it is only as a matter of courtesy and co-operation that we want to do this. There have been informal talks.

Mr. Thompson: A supplementary question, Mr. Speaker. I further ask the Prime Minister whether it is the intention of the government to make two languages official everywhere in Canada, and whether that will be done by way of a constitutional amendment or by a simple statute giving this guarantee.

Mr. Trudeau: Mr. Speaker, the official languages bill will be in the form of a statute. The position of the government, of course, and we indicated this at the federal-provincial conference in February last year—is that we hope there would eventually be agreement between the provinces and the federal government on the establishment of constitutional guarantees to the two official languages which would go beyond the guarantees which now exist under section 133 of the constitution.

What is happening in Quebec is that they are saying they are not doing anything anti-constitutional. I believe they are right. They are contemplating the withdrawal of privileges which have existed for the English minority in Quebec, and our position is that we hope that rather than withdrawing privileges from the English minority in Quebec, privileges will be given to the French minorities in the other provinces.

Inquiries of the Ministry

[*Translation*]

NORTHERN AFFAIRS

QUEBEC JURISDICTION OVER INDIANS AND ESKIMOS

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to direct a question to the Minister of Indian Affairs and Northern Development.

Can he tell the house if the transfer of the federal administration of New Quebec to the government of the province of Quebec is continuing and if the Indians and Eskimos of that territory are satisfied with the way that transfer is being effected?

Mr. Speaker: I think that the hon. member's question could easily be put on the order paper. It seems to me that this is a question of continuing interest and, in the circumstances, I would suggest to him very humbly to put it on the order paper.

[*English*]

FINANCE

POSSIBLE RESTRICTIONS ON COMPANY INVESTMENTS ABROAD

On the orders of the day:

Hon. D. S. Harkness (Calgary Centre): I have a question for the Minister of Industry, Trade and Commerce. What means has the government to enforce the program announced by the minister according to which overseas investments of Canadian non-financial companies will be restricted?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): In general we intend to ask the companies investing more than a certain amount of money every year to report to us—this is stated in the announcement—and the report will enable us to check on the investments being made.

Mr. Harkness: I have a supplementary question. I realize it is possible to ask for such reports, but has the government any means of actually restricting these investments?

Mr. Speaker: Order, please. The question as asked in not in order. I suggest the hon. member is asking for an interpretation of the powers of the government in general. Such a question is not in order.

Mr. Harkness: I have a further supplementary question, Mr. Speaker. Will these restrictions apply to the exploration, drilling and production of oil and gas by Canada's oil companies in overseas countries?

Mr. Pepin: The statement describes the criterion for decision and makes a distinction, for example, between the countries in western Europe and the less developed countries. So we will have to assess where these investments are going.

To revert to the first part of the question, it is specifically stated in the communiqué that "the companies are being asked to provide information quarterly on international capital transfers and on planned capital transfers to overseas countries for 1968 and 1969 where transfers in excess of $200,000 annually are contemplated". I do not think there is any reason to doubt that this will be done.

IMMIGRATION

STEPS TO ASSIST REFUGEES FROM CZECHOSLOVAKIA

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. The Canadian Press reported last night that the Canadian government has sent a four man team to Vienna to help "especially qualified" refugees from Czechoslovakia who want to come to Canada. My question is, does this country intend to benefit by taking only the cream of the crop of these refugees or does it intend to give equal help to all refugees, irrespective of talent, who have fled that persecuted country to find freedom?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, the provisions that have been announced with respect to entry requirements and financial assistance are available to all Czechoslovakian refugees. The purpose of the four man team is to assist the specially qualified Czechoslovakians who may want to come to Canada by exploring with them the opportunities that are available in this country. There is no intention, nor will this particular team bring this about, of taking any exclusive attitude toward any group of refugees.

Some hon. Members: Hear, hear.

Mr. Hees: I have a supplementary question, Mr. Speaker. Does this team intend to give the same kind of help to all refugees, irrespective of talent?

Mr. MacEachen: In a sense the team is composed of men from the scientific and educational fields, and within the limits of their skills they will be available to all the refugees. I think our own immigration officers are in a position to give all the necessary help to refugees in general, but in this particular case special assistance will be given by way of information to those who have special qualifications. For example, there is on this team a person from the National Research Council who might be able to advise Czechoslovakians who have decided to come to Canada what the situation is in the scientific field in this country. We think this is quite a useful thing to do. Another person has been suggested by the universities, and still another by the Canada Council. We thought this was extra assistance which could be made available to the Czechoslovakian refugees.

FISHERIES

REQUEST FOR RESTORATION OF SALT SUBSIDY

On the orders of the day:

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I have a question for the Minister of Fisheries. Is the government giving consideration to restoring the salt subsidy previously provided to maritime fishermen?

Hon. Jack Davis (Minister of Fisheries): The answer, Mr. Speaker, is no.

Mr. Carter: May I ask a supplementary question. Has the Minister of Fisheries or the federal government received representations in this regard from the Newfoundland government?

Mr. Speaker: Order. The question as asked is not in order.

Mr. Thomas M. Bell (Saint John-Lancaster): Well, Mr. Speaker—

Mr. Speaker: The hon. member for Malpeque.

Mr. Bell: On a point of order, Mr. Speaker. I do not like to challenge your authority but, in a supplementary way, the hon. member has merely asked whether representations have been received from the Newfoundland government.

Mr. Speaker: As I have ruled before, the simple question whether representations have been received is not in itself acceptable.

EXTERNAL AFFAIRS

NATO—REQUEST FOR CLARIFICATION OF STATEMENT BY U.S. STATE DEPARTMENT

On the orders of the day:

Hon. J. A. MacLean (Malpeque): I have a question for the Prime Minister. Is Canada prepared to back the United States warning that any Soviet military action against West Germany would be met with an immediate NATO response?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, as I indicated yesterday we would be bound by the terms of the NATO treaty, and we would act accordingly. Any decision taken would be in conformity with that treaty.

Right Hon. J. G. Diefenbaker (Prince Albert): In view of the contradictory nature of the answers given yesterday and today and the doubts that will be created in the minds of not only Canadians but the other members of the NATO organization, I ask the Prime Minister whether there has been any change or alteration in article 5 of North Atlantic Treaty, which provides:

> The parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defence recognized by article 51 of the charter of the United Nations, will assist the party or parties so attacked by taking forthwith, individually and in concert with the other parties, such action as it deems necessary including the use of armed force, to restore and maintain the security of the north Atlantic area.

The answer given by the Prime Minister yesterday indicates there is some wobbling in this regard, and I should like to know whether that is true.

Mr. Trudeau: Mr. Speaker, there has been no contradiction in the answers given. If there is any wobbling it is in the mind of the right hon. gentleman.

Mr. Diefenbaker: We are not going to enter into a controversy about wobbling. I would be able to say something to the right hon. gentleman in that regard because that is a subject on which he is a past master. In the meantime I ask him this. Why deny the House of Commons the opportunity of knowing in advance and discussing what changes are contemplated? I say that in view of the various statements made during the election campaign regarding NATO. Why shouldn't

this house know whether there is going to be any wobbling by this government?

Hon. George Hees (Prince Edward-Hastings): May I ask a supplementary question? The question is very simple. In view of the section read by the right hon. member for Prince Albert, is this country committed now to go to the aid of West Germany if she is attacked by the Soviet union?

Mr. Speaker: Order. I suggest to the hon. member that the question he has asked is similar to the question that was asked before. The answer might not be satisfactory to the hon. member, but an answer was given.

Mr. Hees: The question was not answered at any time, and the Prime Minister would like to answer now.

Mr. Trudeau: I think perhaps there was a bit of confusion because the supplementary question came before the answer to the first question. I do want to state quite clearly that there is no ground for believing Canada would fail in any way to discharge its obligation under the NATO treaty. This is point No. 1. I think the last part of the right hon. gentleman's question had to do with discussions about what we were going to do in NATO, and that is another question. It has nothing to do with the first part of the question. I am prepared to repeat what our position is. We have always said we were having a review of our foreign policy and of our military policy. When this review has become part of government policy, it will be discussed in the house. NATO will be part of this, of course. However, after that debate has taken place I do not want to make a specific commitment that I will tell the house before going to NATO whether our forces will be increased or reduced.

VIET NAM—U.S. KNOWLEDGE OF CANADIAN POSITION ON BOMBING

On the orders of the day:

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. In view of the Prime Minister's repeated statement that the bombing of North Viet Nam must cease immediately and totally during the Paris peace talks, has the Canadian government conveyed this position officially to the government of the United States?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the government of the United States is very well aware of the views of the Canadian government on this subject.

Mr. Harding: A supplementary question, Mr. Speaker. I asked the minister whether this position as put by the Prime Minister had been conveyed officially to the government of the United States and, if so, whether he could give us the date—

Mr. Speaker: Order, please. I suggest to the hon. member that he is merely repeating the question he asked in the first instance.

[*Translation*]

HARBOURS

MONTREAL—INQUIRY AS TO REPORT ON SECURITY

On the orders of the day:

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, my question is directed to the hon. Minister of Labour.

As minister responsible to the house for the inquiry on security and pilfering in Montreal harbour, can he now give us the details in this respect? If not, when does the minister intend to give the house a complete report on this iquiry?

[*English*]

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, the minister will be prepared to make a complete report when the Smith inquiry finalizes its work, which will be at least a year from now. In the meantime I have been assured by Judge Smith that progress is being made, that questions and allegations appearing in local newspapers are being investigated and referred to the Smith inquiry. A complete report will be made both to me and to the Minister of Transport, who is responsible for the National Harbours Board and, therefore, the security of the port of Montreal.

[*Translation*]

Mr. Valade: Mr. Speaker, I should like to put a supplementary question to the hon. Minister of Labour.

In view of the seriousness of the allusions made in the newspapers on the volume of the pilfering and thieving which, it would seem, are occurring in Montreal harbour and the fact that this situation is endangering the good name of the city and port of Montreal, can the minister in charge tell us if the newspaper statements are misleading or if the situation is really very serious?

Mr. Speaker: The hon. member cannot ask the minister to check or confirm newspaper reports.

[*English*]

ADMINISTRATION OF JUSTICE

ELIMINATION OF LASH AS PENALTY FOR CRIME

On the orders of the day:

Mr. Walter Deakon (High Park): Mr. Speaker, I wish to address this question to the Minister of Justice. Has the minister considered or reconsidered the elimination of the lash as a penalty for the commission of certain criminal offences?

Mr. Speaker: The question is very general in nature and normally it should be placed on the order paper.

INTRODUCTION OF AMENDMENTS TO JUVENILE DELINQUENTS ACT

On the orders of the day:

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the Solicitor General. Is it the intention of the government to introduce amendments to the Juvenile Delinquents Act in this session? If not, why not?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I should like to take that question as notice and give the answer later.

[*Translation*]

BILINGUALISM AND BICULTURALISM

APPOINTMENT OF CO-CHAIRMAN OF ROYAL COMMISSION

On the orders of the day:

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to direct a question to the Prime Minister.

When does he intend to appoint a successor to Mr. André Laurendeau on the Royal Commission on Bilingualism and Biculturalism?

Right Hon. P.-E. Trudeau (Prime Minister): I have already discussed that matter with the co-chairman, Mr. Speaker. Certain names were proposed which I am now considering. At any rate, I think the appointment should be announced shortly.

Mr. Asselin: Mr. Speaker, I would like to put a supplementary to the Prime Minister.

Would a delay in the appointment of the French-speaking co-chairman delay the work of the commission?

Mr. Trudeau: No, Mr. Speaker, it is only a matter of drafting.

[*English*]

GRAIN

REQUEST FOR STATEMENT ON INTERNATIONAL AGREEMENT

On the orders of the day:

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question I should like to direct to the minister of trade and industry. In view of the serious economic plight of the western farmers through the loss of grain markets due to the 11 months lapse of the world wheat agreement, would the minister on motions give the house at the earliest possible date a full statement on the present status of the new international grain agreement?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I was invited to do so by another member of the opposition, and I do intend to do so. However, the hon. member is aware that a meeting is going on in Canberra at this very moment and I am waiting for a report. In due course I will be taking part in the present debate on this subject.

[*Later:*]

Mr. Pepin: Mr. Speaker, may I give some complementary information in reply to a previous question asked by the hon. member for Qu'Appelle-Moose Mountain. I have just received a copy of the communiqué issued at the conclusion of the Canberra meeting. It is of great importance to grain growers in Canada, because it says:

> The group of exporters expressed their satisfaction with the operation to date of the new arrangement and their determination to achieve its objectives including the observance of the terms of the arrangement with respect to minimum prices.

Some hon. Members: Hear, hear.

SHIPBUILDING

REQUEST FOR RESTORATION OF SUBSIDIES

On the orders of the day:

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I should like to direct a question to the Minister of Finance. In view of the fact that heavy unemployment has recently resulted from the discontinuance of subsidies on wooden ships, does the government intend to reintroduce these subsidies soon?

Inquiries of the Ministry

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker.

Mr. Comeau: A supplementary question, Mr. Speaker. What measures does the government advocate to replace jobs that are lost in this industry?

Mr. Speaker: Order. The hon. member is now asking a very general question which should more properly be answered by a statement on motions.

HEALTH AND WELFARE

TERMINATION OF HOSPITAL CONSTRUCTION GRANT LEGISLATION

On the orders of the day:

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, I would direct this question as a matter of urgency to the minister of health and welfare. It has been announced that the hospital construction grant act will terminate on March 31, 1970. Will this impose hardship on hospital regional districts which have or intend to have approved projects under way, but uncompleted, at the termination date?

Mr. Speaker: The hon. member is referring to an event which will not take place for some months yet. Under the circumstances this type of question should be placed on the order paper.

THE SENATE

PROPOSED DIRECT PROVINCIAL REPRESENTATION

On the orders of the day:

Hon. Hugh John Flemming (Carleton-Charlotte): Mr. Speaker, my question is for the right hon. Prime Minister. Was the government house leader in the other place stating government policy yesterday when he expressed the desire to have direct provincial representation in that chamber?

Right Hon. P.-E. Trudeau (Prime Minister): Not government policy yet, sir, but we have indicated that we do intend to review the whole composition of the Senate, perhaps to give it a greater function in terms of the regional composition and also the linguistic composition of Canada.

Mr. Flemming: A supplementary question, Mr. Speaker. Is it the intention of the Prime Minister to recommend a change in the constitution to bring about that result when the constitutional conference takes place?

[Mr. Comeau.]

Mr. Trudeau: Yes, Mr. Speaker. We have told the federal-provincial conferences that we wanted to discuss this subject with them, but we do not want to do it unilaterally if we can avoid it. We feel that this is a federal matter concerning all parts of Canada.

[*Translation*]

AIRPORTS

ROUYN, QUE.—INQUIRY AS TO CONSTRUCTION

On the orders of the day:

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to put a question to the hon. Minister of Transport with regard to the proposed air terminal in Rouyn.

In view of the fact that the Treasury Board has already included that project in its estimates, can the minister tell us why the construction of that air terminal in Rouyn has not yet started, since the decision already goes back to several months?

Mr. Speaker: Maybe the hon. member will allow me to suggest that this is a question for the order paper.

[*English*]

TRANSPORT

JURISDICTION RESPECTING SAFETY OF RAILWAY WORKERS

On the orders of the day:

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I should like to direct a question to the Minister of Transport; it is of utmost concern to railway workers. In view of the formal application made last January to the railway transport committee for a general order setting out whether or not it has jurisdiction over safety as it relates to railway employees, would the minister ascertain whether the railway transport committee has yet made a decision?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I will take this question as notice.

[*Translation*]

AGRICULTURE

QUEBEC—REQUEST FOR ASSISTANCE TO APPLE GROWERS

On the orders of the day:

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I should like to put a question to the Minister of Agriculture.

Has he received representations from the Quebec apple-growers asking some assistance from the federal government for losses which they have suffered as a result of damages caused by hail in 1967.

Mr. Speaker: I have already pointed out to the hon. members a moment ago that it is not enough to ask if representations have been made or if a request has been submitted to the government. The hon. member would perhaps wish to add something to his question.

Mr. Ricard: I could perhaps rephrase my question, Mr. Speaker. Does the federal government intend to grant to Quebec apple-growers who suffered losses caused by hail in 1967 an assistance equivalent to that granted by the provincial government?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am not quite sure what the hon. member means by equal assistance. If he is talking about the federal government matching the assistance that was paid out by the provincial governments I would advise the hon. member that the federal government has consistently rejected this kind of program. In many parts of Canada, and I am thinking now of the maritimes, Quebec, Ontario and Alberta, during the past years assistance has been refused on the premise that we are prepared to pay 50 per cent of the administration costs and 25 per cent of the cost of the premium of the crop insurance program, and such programs would apply anywhere in Canada. It seems inconsistent for us to make that offer and at the same time enter into direct assistance programs.

Mr. Ricard: That's a long way round to say no.

REQUEST FOR ACCELERATED DEPRECIATION ON FARM STORAGE BUILDINGS

On the orders of the day:

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I wish to direct my question to the Minister of Agriculture although it is of relevance to other departments also. In view of the problems facing western farmers in the current crop year with regard to grain storage, and considering that Ontario farmers are also facing a problem with regard to corn storage, will the minister explore the possibility of providing accelerated depreciation on buildings constructed for the storage of grain and corn?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, representations have been made to the Department of Agriculture and to the Department of Finance with respect to accelerated depreciation on storage for the purposes the hon. member has talked of. I can advise the house that the departments of finance and agriculture are exploring the possibilities of carrying out the hon. member's suggestion on a particular basis, and perhaps under specific terms, to meet emergency situations.

Mr. Ed. Schreyer (Selkirk): A supplementary question, Mr. Speaker. I wish to ask the Minister of Agriculture whether he has received a significant number of complaints from affected farmers that materials needed for the construction of on-farm grain storage facilities are hard to obtain this year, for some reason.

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

[*Translation*]

EXPO '67

INQUIRY AS TO PAYMENT OF DEFICIT

On the orders of the day:

Mr. Henri Latulippe (Compton): Mr. Speaker, I direct my question to the hon. Minister of Finance.

Could the hon. minister tell the house whether the government has committed itself to the payment of the deficit incurred by the city of Montreal concerning Expo?

Mr. Speaker: It seems to me that the hon. member is asking a minister to confirm or deny a statement, and I do not think that the question is in order.

[*English*]

OLD AGE SECURITY

INQUIRY AS TO INCREASE IN PENSION

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of the hardship being caused to elderly people across Canada by the steadily rising cost of living, is it the intention of the minister's department during the present session to increase the basic old age security pension?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Shame.

Inquiries of the Ministry

POST OFFICE DEPARTMENT

LITIGATION TO RECOVER MONEYS UNPAID BECAUSE OF STRIKE

On the orders of the day:

Mr. A. D. Hales (Wellington): My question is directed to the Postmaster General. Has the minister received notice from any rural mail carriers that they intend to enter into litigation in order to collect moneys they feel rightly belong to them by reason of their having been available for work throughout the recent mail strike.

Mr. Speaker: Order. I suggest to the hon. member that this is another of those questions which, in the form it is put, is not in order.

NEWFOUNDLAND—REPORTED LOW WAGES OF POSTMASTERS

On the orders of the day:

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I direct a question to the Postmaster General. In view of his announcement that two task forces are now being set up to probe the department's problems, could he indicate whether either of the forces will look into the question of the wages being paid to postmasters in the rural communities of Newfoundland, these men being paid at a rate as low as $22.20 for a 60 hour week?

ADMINISTRATION OF JUSTICE

POSSIBLE CHANGE IN LEGISLATION RESPECTING MARIJUANA

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, my question is directed to the Prime Minister. Was the Minister of National Health and Welfare speaking government policy when in a recent speech in Regina he indicated that by amendment to the Narcotic Control Act or by new legislation, prosecutions and possible penalties for marijuana users would be in a different form than at present, and that penalties for marijuana users would be less severe than those for narcotic users?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the position of the government is that we have to apply the Criminal Code as it exists, but we honestly feel that there are many areas in which the Criminal Code could be amended. We have suggested many such areas. We feel that the whole question of narcotics users and the way in which they should be treated—whether such use is a crime or not—is open for examination, and I am happy that the Minister of National Health and Welfare is looking into the subject.

[Mr. Knowles (Winnipeg North Centre).]

Right Hon. J. G. Diefenbaker (Prince Albert): In view of the dissimilarity of views as to the detrimental effects of marijuana it would be commendable if the government gave consideration to the setting up of a committee of the house to look into this matter, and to ascertain whether marijuana is more detrimental than liquor or tobacco, something about which I am unable to speak. I wonder if the Prime Minister would give consideration to this suggestion.

Mr. Trudeau: This is exactly our intention, Mr. Speaker, to have it discussed or studied by the minister's department. Then he will discuss the way in which we should bring this matter to the attention of the cabinet and the house.

NATIONAL CAPITAL

INQUIRY AS TO ESTABLISHMENT OF PARLIAMENTARY COMMITTEE

On the orders of the day:

Mr. Barry Mather (Surrey): Mr. Speaker, I believe my question should be addressed to the Minister of Public Works. In the last house, under the minister's predecessor, it was suggested that a committee be set up to deal with matters of the national capital. I wonder if the minister could give consideration to expediting the setting up of such a committee in the near future.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, that question should be addressed to my colleague the Minister of Forestry and Rural Development, who now has responsibility for the National Capital Commission.

Mr. Mather: May I address my question to that minister then.

Hon. Jean Marchand (Minister of Forestry and Rural Development): Would the hon. member repeat his question? I did not hear it; I was discussing a very important problem.

Mr. Mather: Now that the minister is back from the forest I shall put my question to him. In the last parliament this house approved the establishment of a committee to deal with matters concerning the national capital. I wonder if consideration is now

being given to the establishment of that committee.

Mr. Marchand (Langelier): This is something we shall look into, and we shall report to the house on it.

AGRICULTURE

SOYA BEANS—REQUEST FOR SUPPORT PRICE

On the orders of the day:

Mr. H. W. Danforth (Kent-Essex): I wish to direct my question to the Minister of Agriculture. In view of the very serious problem facing the edible oils industry of Canada, can the minister indicate whether a government decision has been reached with respect to recent representations made by the soya bean board? If so, was such decision in favour of their request?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the hon. gentleman was good enough to give me notice of his question after I entered the house, and I sent for a reply to which I shall now refer.

I met with representatives of the Ontario soya bean growers marketing board on August 19 and discussed problems of vital concern to the board and to Ontario soya bean growers. Following that meeting the Agricultural Stabilization Board reported to me on the question of a price support on soya beans. It was the board's view that it was not prepared to recommend a price support plan for soya beans at the present time. This was based on a feeling that the major problem facing the soya bean industry is that of imported oils, and that the Agricultural Stabilization Act is not the appropriate legislation to meet problems of this nature.

I have received further correspondence from the soya bean growers marketing board, and I am in active consultation with them. May I also advise the hon. member that the department is looking into the long run question of whether there has been dumping of vegetable oils in Canada. Because of the route over which these oils come into Canada it is very difficult to establish prices, and to prove that dumping has taken place under the formula we now use.

Mr. Speaker: Order, please. I suggest to the minister that this type of lengthy statement ought to be made on motions.

Mr. George Muir (Lisgar): I have a supplementary question for the Minister of Agriculture. In view of the serious situation facing the vegetable oil industries, as indicated by the hon. member for Kent-Essex, what action is the government contemplating in regard to the representations made to the minister by the rapeseed and sunflower industry of western Canada.

Mr. Olson: Well, Mr. Speaker, as of this date there have not been any direct representations made to me by representatives of either of these industries.

Mr. Muir (Lisgar): As a further supplementary question, Mr. Speaker, I am sure the minister must be aware of representations made to the stabilization board. What action does he contemplate with regard to these representations?

Mr. Olson: Mr. Speaker, I will ask the stabilization board for a report of their consideration of this problem.

REPORTED SHORTAGE OF STRUCTURAL STEEL FOR FARM STORAGE CONSTRUCTION

On the orders of the day:

Mr. Ed. Schreyer (Selkirk): Mr. Speaker, my question is directed also to the Minister of Agriculture. I would like to ask him whether he has ordered or intends to order an investigation into the causes of the serious short supply of structural steel for farm grain storage facilities.

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker, I have not ordered an investigation. I am not sure whether this comes within the ambit of the Department of Agriculture, but I will certainly be prepared to ask some of my colleagues, who are perhaps more directly involved in this, to see if we can find some reasons for it.

REQUEST FOR REPORT OF SPECIAL TASK FORCE

On the orders of the day:

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I would like to direct a question to the Minister of Agriculture. Can the minister advise the house whether the agricultural task force set up by the government early last session to study the various problems facing agriculture, and suggested remedies, has completed its work and when can we expect its report?

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker, the task force has not completed its work. We expect to have an interim report in December, 1968, but we do

not expect the task force will have its complete findings and recommendations ready until some time later in 1969.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I wish to direct a question to the Minister of Finance. Has the minister's attention been directed to discrimination against students at the University of British Columbia by the campus branch of the Bank of Montreal, which has refused to allow the students to establish accounts on which they can draw cheques? If so, does the minister intend to take action to correct this situation?

Mr. Speaker: Order, please. I have some doubt whether this is within the minister's responsibility.

INDIAN AFFAIRS

SASKATCHEWAN—REPORTED STATEMENT BY PREMIER RESPECTING RESERVES

On the orders of the day:

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the Minister of Indian Affairs and Northern Development. Has the minister now met with a minister of the Saskatchewan provincial government with respect to the refusal of the premier of Saskatchewan further to honour Indian treaties which provide that certain lands may be designated as reserves if the Indian people so wish?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I will meet a minister of the Saskatchewan government this afternoon and I hope that I will be able to meet the premier of Saskatchewan tomorrow.

[*English*]

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Wednesday, September 18, consideration of the motion of Mr. Eymard Corbin for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment (p. 62) thereto of Mr. Stanfield.

• (12 noon)

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker at the time of adjournment last night, I was speaking about the riding of Frontenac, in the eastern townships, on the south shore of the St. Lawrence, but I had not told you that Mr. Louis S. Fréchette was born in 1748 in St-Ferdinand d'Halifax—where I shall take up residence—and that he was a member of parliament for that county. Apart from being postmaster, he was mayor. The name "Fréchette" was one of the earliest to appear in Canada and it gives me great pleasure to know that a descendant of those pioneers has made his name illustrious in the Frontenac constituency.

Mr. Speaker, I did not mention either that this same riding of Frontenac is called the white gold region on account of the asbestos which is abundant there. In fact, its asbestos mines are the most valuable throughout the world. The preparation of $12 million urban development plan, to be spread out over a period of five years, is under way, for there is asbestos not only under part of the city of Thetford Mines, but also under a part of St-Maurice. There is a lack of refining facilities for this product in Canada in order to find work for our labour force and to obtain a product at a cheaper price as there are presently several asbestos by-products being used in the construction industry. Unfortunately, these mines are American-owned and we are, ourselves, but water bearers and wood hewers. Because of this mineral being exported abroad, Canada's economy is the loser.

As I was saying, speaking for the Rallie-ment Créditiste which is the official opposition party of Quebec in this house, our Prime Minister was backstroking the C.C.F. party in 1962 and making fun of the Liberals. He is now witch-hunting following the Rossillon affair in order to better conceal the economic problems.

I visited personally French areas out west where I was made very welcome. Last week, I called up Therrien, in Alberta, in the St. Paul postal area and my party at the other end of the line said to me. Now that a French Canadian is leader of the country, he will try to downgrade the value of French Canadians in the eyes of the other provinces in order to remain popular in the eyes of historians. When I visited the western provinces—I went as far as Vancouver—no one thought I was a spy. A fortnight ago, I went to Nova Scotia to find out to what extent that province is unilingual. The Leader of the Opposition (Mr. Stanfield) was premier of that province and did not do anything for the French, not even

in the field of immigration. But in spite of that, I was not called a spy.

No, Mr. Speaker, "Trudeaulatry" is not catching on in the ranks of the Ralliement Créditiste and after hearing some of the members of the government criticize the Prime Minister yesterday, I am still convinced that tomorrow he will need the whole Agent X -13 adventure series to discover all his enemies.

During the last election campaign, the present Prime Minister visited the province of Quebec but "Trudeaumania" did not catch on there. Newspapermen even said that the hearts of the young girls were frozen by the easterly winds coming from the icebergs in the St. Lawrence which made them indifferent to our Prime Minister. And that good Prime Minister did not get a kiss. Deception, in spite of such seriousness. And yet, an aunt of mine, who was born in the Gaspé peninsula and now lives in Montreal, has always assured me that the people of Gaspé are hot-blooded and affectionate. However, they have unusual common sense and they did not respond to Trudeaumania, the art of worshipping idols having gone out of fashion among serious people. Besides, the present criticism of the man in the street, even here in Ottawa, about our Prime Minister is that he is good for a joke every day. As a proof of that, one has only to see this photograph representing our Prime Minister looking at himself wearing a new tie or trying on a kilt to see whether it fits him well. It seems that the Prime Minister who is at the head of such an adamant government, does nothing but political appointments. In fact, there have already been twelve and there will probably be others. This very morning, we were advised of another appointment, that of Mr. Thomas Paul D'Aquino. I quote:

> Mr. D'Aquino, who was a member of the staff at Mr. Trudeau's headquarters during the campaign for the election of the leader of the Liberal party, played an active part in Quebec political circles.

Another political appointment which indicates that patronage is even worse than during the Duplessis era. In his ivory tower, Mr. Speaker, the Prime Minister does not seem to know what is going on in some countries, as in Biafra, for instance, I read the following newspaper article this morning, and I quote:

> In a statement issued this morning, the Biafran information services in Geneva stated, in part: "When the survivors realized the extent of the disaster, they broke into tears. Even emergency units personnel could not help but cry at the sight of the bloody remains of human flesh on the market-place

In the meantime, our Prime Minister fidgets with his tie. Why are we silent while thousands of civilians are dying of hunger at this very minute, all because Nigeria, intending their extermination, refuses to let food supplies through? How can this genocide be perpetrated in 1968 without anyone objecting? Are not two million deaths enough? How many more have to die?

In the light of those facts, Mr. Speaker, should we not believe that the opening of parliament was delayed to let these people die and say, later on, that it is too late?

Mr. Speaker, I invite our Prime Minister to wake up, to put aside his adamant attitude and to make immediately some representations to Great Britain asking it to stop the sale of offensive weapons.

It is time to learn the address of Mr. Wilson, Prime Minister of England and to lodge the necessary protests, because at the present time a nation is dying. The Liberal party can rely on 155 members elected with money. I wish to give as an example one particular election, but the same thing happened in the 263 constituencies. This is the example which I wish to give you, and I quote:

> Mr. Robert Kaplan, Liberal member for Toronto-Don Valley spent $68,369 to defeat the Conservative candidate Dalton Camp in the federal election of June 25.

Mr. Camp had spent $38,400 at a time when the members of the Ralliement Créditiste spent only $1,600 on the election of our leader (Mr. Caouette). My own election only cost me $2,500.

Mr. Speaker, I would be ashamed to belong to a party which would force a member to spend astronomical sums provided by the election fund in order to remain in power, as in the case of the member whose election cost $68,369. This shows that, outside the Ralliement Créditiste, there is no individual freedom, because those who spend $68,000 to get elected, the next day have to obey those who provided the money they needed.

Among other things, is it not true that the Shell Oil Company may have provided funds to the Liberal party, since they refuse to give out the names of those who contributed to the election fund of the Liberal party? This same company, while helping certain political parties, is preventing the Biafrans from taking possession of their oil wells and England, an accomplice of these international financial dealings, continues to let our Prime Minister sleep quietly.

In view of all those facts, in view of all those urgent problems one does not want to solve, I say to the Prime Minister: Instead of belonging to the Laski school of thought—he studied in England—belong to our Créditiste school of thought. It will cost you only $5 to become an active member and receive our newspaper. Come to our Créditiste congress which will take place at Sherbrooke on October 12 and 13 next. Since you are the champion of freedom, since you can give food to the hungry—our western wheat, for instance —since you want individual freedom to be respected, then ask the essential minimum for every Canadian; freedom and security for everyone, in wealthy a country like ours, which to-morrow perhaps could become the storehouse of the world, instead of letting these people starve.

Since the government has not proposed anything to stop inflation, since unemployment persists, since the committee of the Ralliement Créditiste cannot at the present time have confidence in the government, I therefore move, seconded by the hon. member for Roberval (Mr. Gauthier) that the amendment be amended by inserting therein, immediately after the words "social problems", the following words:

"in order to fight efficiently against widespread poverty in Canada by means of a national monthly dividend paid to each and everyone and based on the national productivity".

Allow me, Mr. Speaker, to show to the Prime Minister and to his government that, in the near future—since he mentioned it himself several times—we will witness another attempt to get into the United Nations a country from which six million people have already fled.

Mr. Speaker, no doubt I shall be permitted to bring forward overwhelming proof against the entry of this country into the United Nations, and you are referred to all those fine representations made by each member of the Liberal party for acceptance of China, as can be seen from an article published in *Le Soleil* of September 7, 1968:

According to the worthy partisans of progressism and international understanding, communist China has to be brought into the United Nations; year after year, the same old arguments are brought forth for admission of mainland China to the United Nations.

• (12:10 p.m.)

Let us consider them and see whether they stand up.

First argument (a realistic argument opposed to an idealist one, a lucky find of our progressists"): "We cannot ignore 650 million Chinese and practise an ostrich policy". Certainly not. But it is precisely by not admitting communist China into the United Nations that we prove we do not ignore it. The main objective of the United Nations is to safeguard peace in the world; it is normal that communist China should be excluded. For those who may have some doubts about that, here is historical proof:

—Undisguised aggression against South Korea in 1950

—Barely disguised aggression against Laos in 1953 (aggression which is still going on)

—Bombarding the islands of Quemoy and Matsu in 1958

—Invasion and colonization of Tibet in 1959

—Cleverly disguised aggression against South Viet Nam (begun in 1954)

—Aggression against India in 1962

—Subversion in all Asian countries

—Threats, intimidation and provocative statements against all the countries in the world.

No other country in the world has committed so many acts of violence. It will then be considered "realistic" to admit communist China to the U.N. This is an idealistic policy, since the communist war activities are wilfully ignored in order to admit mainland China into an organization dedicated to peace. Magnanimity does not pay when we are dealing with Mao.

Second argument: The majority of the Chinese people have a right to be heard before the world. Certainly. However, does Mao speak for the majority? Surely not, whatever our fine minds may say. There is proof to substantiate this. First, let us consider the 6 million Chinese refugees who have succeeded in fleeing communist China as well as the other 30 million Chinese who have been massacred because of Mao's purges. Has this been forgotten by our freedom loving democrats? The Chinese minorities scattered over the globe unanimously disapprove of the Peking regime. Naturally, these opinions are ignored.

Mr. Speaker, on another plane, before my allotted time has run out, I would now like to mention the St. Leonard school problem. As I was saying before, I have been in British Columbia and Nova Scotia, but I have never been considered a spy. I cannot imagine that a person visiting here on a French liaison mission should be subjected immediately to comments when such a trip has been organized in order to meet friends. Therefore, I say that the only problem existing in St. Leonard is of an economic nature. If the English need a school, let it be built. If the French Canadians need a French school, a French school should be built for the French Canadians or those of French descent, and that will settle the problem.

Furthermore, the Prime Minister when discussing separatism, as reported on page 8 of on article in *Cité libre,* said and I quote:

—Generation after generation of Anglo-Saxons have lived in Quebec without getting around to learning three sentences of French. When these insular people insist, with much gravity, that their jaws and ears aren't made for it and can't adapt themselves to French, what they really want to

get across to you is that they will not sully these organs, and their small minds, by submitting them to a barbarous idiom.

We must accept the facts of history as they are. However outworn and absurd it may be, the nation-state image spurred the political thinking of the British, and subsequently of Canadians of British descent in the 'Dominion of Canada'. Broadly speaking, this meant identifying the Canadian state with themselves to the greatest degree possible. Since the French Canadians had the bad grace to decline assimilation, such an identification was beyond being completely realizable. So the Anglo-Canadians built themselves an illusion of it by fencing off the French Canadians in their Quebec ghetto—and often nibbling at its constitutional powers through centralizing legislation—and fighting, with staggering ferocity, against anything that might intrude upon that illusion: the use of French on stamps, money, cheques, in the civil service, the railroads, and the whole works.

These words were written by the present Prime Minister in 1962 before he entered politics. He goes on saying:

Generations passed. Hopes of assimilating the French Canadians dimmed to a flicker (although right up to 1948, immigration laws continued to favour immigrants from the British Isles over those from France). But English-speaking Canadians have never given up their condescending attitude to their French-speaking fellows, even to this day.

Those are the words of the present Prime Minister, and to-day, when listening to him, one gets the impression that he would also like now, after fighting for that idea of our compatriots which had fallen into oblivion, to allow the French Canadians not to be respected in the French ghetto, to allow the minorities elsewhere in Canada not to receive the same treatment as we, in Quebec, are giving the English-speaking minorities.

He went on:

At Ottawa and in provinces other than ours, this nationalism could wear the pious mask of democracy. Because, as English-speaking Canadians became proportionately more numerous, they took to hiding their intolerance behind acts of majority rule; that was how they quashed bilingualism in the Manitoba legislature, violated rights acquired by separate schools—

Mr. Speaker: Order. I am sorry, but I have to interrupt the hon. member whose time has now expired, unless the house unanimously agrees to grant him some additional time.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

Mr. Dumont, seconded by Mr. Gauthier (Roberval), moved that the amendment be amended by inserting therein, immediately after the words "social problems" the following words:

"in order to fight efficiently against widespread poverty in Canada by means of a national monthly dividend paid to each and everyone and based on the national productivity".

Mr. Lambert (Edmonton West): Mr. Speaker, I rise on a point of order about the acceptability of that subamendment.

I feel that the hon. member unfortunately chose the wrong place to insert his amendment, because we would then have a double negative. It seems to me that it would be better, and it is only a technicality, if he were to add his subamendment at the end of the amendment. That would make more sense, in my opinion, because as moved, it creates some technical difficulties. I am not saying that the subamendment is out of order, I simply want to draw attention to the way it has been drafted.

Mr. Speaker: Order. On the point of order, I think that the business of the house would be made easier if I read the amendment and the subamendment, as suggested by the member for Frontenac (Mr. Dumont):

But we respectfully regret that Your Excellency's advisers have refused to recognize or respond to Canada's current and urgent economic and social problems, "in order to fight efficiently against widespread poverty in Canada by means of a national monthly dividend paid to each and everyone and based on the national productivity".

The member for Edmonton West (Mr. Lambert) suggests that this subamendment as drafted is ambiguous, that is possible. However, the intent and purpose of the subamendment are clear enough, and I think it would be preferable to accept it as such, instead of attempting to adapt it to the sentence or the term which the member wants to amend.

Mr. Dumont: Thank you, Mr. Speaker.

Mr. Lambert (Edmonton West): I can assure you that, in the English text, it is nonsense.

Mr. Caouette: Mr. Speaker, I raise a point of order.

The hon. member for Edmonton West (Mr. Lambert) is of the opinion that the English translation is nonsense.

Mr. Lambert (Edmonton West): Mr. Speaker, in its present form it is nonsense. It would make sense if it were added at the end.

Mr. Caouette: Yes, but at the end or after the social question? Personally, I am of the

opinion that in French, at least, it is correctly expressed, the phraseology is complete.

Mr. Speaker: In any case, the amendment has been accepted.

[*English*]

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I am sure you are well aware that I have the honour, as have many members of this house following redistribution, of being the first elected representative of a completely new riding, Kent-Essex. On behalf of the citizens of that riding I must extend our congratulations to you on attaining your high office. I should also mention the respect and admiration they have had for the manner in which you have discharged your duties in the past.

This area is indisputably the most southern area in Canada. It is affectionately and practically known by those who live there and those who associate with the area as the sun parlour of Canada. May I offer to you on their behalf a standing invitation to visit this area, either in your capacity as a citizen of Canada or in your official capacity, during the vacations which will occur from time to time. Because of your arduous duties you richly deserve these vacations.

• (12:20 p.m.)

I wish to continue in a very serious vein and try to bring to the attention of the government the tragic, almost impossible position in which the great industry of agriculture finds itself not only in my area but throughout the entire nation. I think most of us on both sides of the house listened to the speech from the throne with increasing uneasiness, and as it approached its finish we were sick indeed. I do not mean this in a partisan way. The fact is that the men in agriculture and in the industries associated with agriculture realized, when they heard that speech, that either the government was completely unaware of the disaster facing many segments of this great industry in the near future, unaware of the sore economic position in which they find themselves, or had abandoned any constructive attempt to do something about it.

It is true that the Speech from the Throne indicated that amending legislation would be dealt with at this session covering farm improvement loans, farm credit, and loans under the Farm Machinery Syndicates Credit Act, and that a national grains council would be established. Farmers certainly need this money but they know, as does every hon. member of this house on reflection, that this action does not solve anything. It does not solve any of the basic problems of agriculture. All it does is put farmers deeper in debt; it increases land values, the price of machinery and most of the components that a farmer must use in carrying on his business. It is true that farmers now need more capital. They need more credit. In fact, more credit will be absolutely necessary if they are to continue their operations even in the year ahead. But certainly these measures can be only a palliative and in no way a cure.

I wish personally and on behalf of the citizens I represent to congratulate the minister on his elevation to office. He is a man with whom I have worked for years and for whom I have the greatest respect. I respect his knowledge and background in agriculture. But I am not optimistic about what he can accomplish while sitting on the front benches of this government because the government through its actions has so decimated the Department of Agriculture and spread agricultural activities throughout so many departments that it is difficult indeed for the department to function as an entity. I fail to see how the minister, regardless of his ambition, his ability and his good intentions, can bring about a single solution to any of the major problems facing Canadian agriculture today. I shall deal with some of the current problems that require consideration by him, but I am sure that because of pressure from his colleagues the solutions put forward to these problems will be found to be inadequate.

The last time I spoke on behalf of the agricultural industry was during a debate on the estimates. At that time I was accused by members in many parts of the house of singing a song of gloom. In fact, the then minister of agriculture immediately rose to his feet and from a large and lengthy document tried to establish to the satisfaction of members that the fate of agriculture was not indeed as we on this side of the house had portrayed it. He said that in fact all was well and, indeed, that farmers had never had it so good.

Mr. Baldwin: It was a pitiful document.

Mr. Danforth: One of the most outrageous allegations that minister made was that the borrowing by farmers of $400 million more from the government of Canada in the previous four years than ever before in history was an indication of their confidence in the government and its policy. In other words, he

was saying that the deeper one goes into debt the more confidence one should have in the future of the agricultural industry.

What has happened since we last met in this house and discussed agriculture? The hon. member for Crowfoot (Mr. Horner), the hon. member for Lisgar (Mr. Muir) and the hon. member for Vegreville (Mr. Mazankowski) have put on the record evidence of the catastrophe that has befallen some segments of the industry. I should like to deal with other segments.

What do we find? Rather than farmers never having it so good, I point out that the sugar beet industry in Ontario has collapsed in 12 months. It no longer exists as an industry; it is finished. The fruit and vegetable industry is fighting for its very existence. In the great greenhouse industry of southwestern Ontario, which is concentrated mainly in Essex county, some of its most permanent establishments have gone into bankruptcy in the last few months. This event shook the whole economic climate of that area. The oilseed industry, faced with tremendous imports of edible oils, is trying desperately to find a solution to its problems in order that it may survive economically. Western grain growers have found grain piling up in the west and tremendous backlogs along the entire grain pipe line. The feed grain industry finds itself faced with overproduction and falling markets. The great corn industry in southwestern Ontario has found that the prices offered for this commodity are in many instances lower than the cost of production. These are the main segments of agriculture, the very backbone of the industry.

The federal government is supposed to encourage and develop the agricultural industry. What has happened? If you could have stood, as I did this summer, on one of the most progressive farms in southwestern Ontario, with an acreage of the finest head lettuce I have ever seen, and found that not one single head of that lettuce could be cut because there was absolutely no market for it at any price, if you could have stood on receiving platforms of farm co-operatives, as I did, and seen beautiful cabbage of top quality brought in, the very first offerings of the season, and found that the growers of this cabbage would receive for their produce as a starting price less than the price they received at the end of the last season, if you could have stood with me and seen a farmer leaning against a gate with tears in his eyes, watching the dispersal of a dairy herd which took three generations to establish; if you could have watched with me beside one of the largest and best buildings developed for the production of pork that I have ever seen, and have indicated to you by that farmer, a most progressive and businesslike man, that the entire operation had been shut down because the margin of profit would not even pay the interest on his investment; if you could have gone with me into a feed lot, which looked like blocks of pavement with its mangers, silos and automatic feeders, and found the feed lot empty because of lack of credit and lack of financial return, then you would realize, as I and my colleagues have done, that the agricultural industry of this great country is in dire straits.

• (12:30 p.m.)

It is no wonder that there is no levity any longer in the farming communities of this country. It is a sad thing indeed to go into a small farming community and find no gaiety or banter in the machine shops, no gathering of the ladies' groups at the local churches, no winter card parties, no dances, and no community life. Rather, there is an almost deathly silence, and the reason for this is that the farmer and his wife are out in the fields working from daylight to dark to try to increase their production in order to cope with falling prices. It is no fun to park your car in front of a bank and see farmers coming out one at a time, white-faced and shaken, knowing that they face bankruptcy or the curtailment of their business. It is no fun to read the daily newspapers and find column after column of advertised sales involving dispersal of herds, dispersal of farm lands and dispersal of farm machinery, and to know that these men will walk off their farms with their wives, their kiddies, their suitcases and nothing else after putting a whole lifetime of effort into the production on this land which they love so dearly. It is no answer to have the government say it will increase farm loans, give farmers a little more credit and set up a grains council and task forces. Something is wrong.

I wish to give the greatest of credit to the Economic Council of Canada and the men who form that great body for their insight into this problem. I want to pay tribute also to the men in the United States department of agriculture who are seized with this problem. These men have the facts. If the government cared to, it could read these facts. These men know how many men are moving off the farms. To speak of inefficiency on the farms

is to use a deluding phrase, a phrase of apology which the government uses because it does not know what is an efficient farm today. I do not know what an efficient farm is because a farm that was efficient yesterday may, at the stroke of the pen and a change of government policy, become an inefficient farm tomorrow. This is something that the farmers cannot control.

The time is past for us in this parliament to be content with using the old, hackneyed methods to solve the farm problems of today. It does not do the farmers of this nation any good whatsoever to point to the plight of farmers in other nations and say: You are no worse off than they or you are almost as well off as they. It is time that we in this nation used the tools and the facilities we have at our disposal and started to create in this country an economic climate which will make it possible for farmers not to have more credit, not to exist on subsidies, but to sell their produce at a price which will enable them to make a fair margin of profit.

Farmers in this country today—we all know thousands of them—certainly deserve as much as any other segment of industry. Farmers today surely deserve a fair margin of profit for their labour and for their capital investment, equal to that of other segments of industry. If we could assure them that justice will be done there would be no farm problem and we would not be faced with these men leaving the farms. The tragedy is that the farm situation is so bad that farmers themselves are encouraging and almost insisting that their sons and daughters leave the farm and seek some other form of employment, no matter what it is. There is nothing that fills the heart with greater compassion than to see a man and a woman on a farm working from daylight to dark, barefooted in the mud, in a desperate attempt to get enough money to send their son or daughter to college in the hope they will not suffer the same fate as they have because they are farmers in Canada. We certainly cannot be proud of this situation.

The government of this country must take absolute responsibility for the plight of farmers today. I say this advisedly, not in a partisan manner but in the light of existing conditions today. We no longer speak of the law of supply and demand where farmers and their produce are concerned. We must speak of managed markets. It used to be possible for a provincial co-operative, in which farmers united to act as a group, to exert some pressure, to have some control of sales and to demand a fair price in the marketplace. Today this is not possible because of the changing trade patterns.

What can a marketing group do when there are now cartels and international food chains capable of buying food at bargain prices anywhere in the world and through their own organizations distributing produce to any single locality in the world where there is a prime demand for it? All too often this is so in Canada. We are producing perhaps a 30 per cent surplus of which we must dispose in order for agriculture to survive as an industry, and at the same time the records show that each year we import over $800 million worth of food produce. My point is that not only do we have managed markets and cartels but we have government action which by a stroke of the pen can destroy a market in this country that farmers have tried for months to develop. It is said that an unfavourable trade balance is why we have to make concessions to other countries to allow their products to come into Canada. The farmers have no control over this situation.

• (12:40 p.m.)

I could give a number of examples of the results of such action. The tomato canning industry in Ontario almost collapsed. Why did that happen? It happened because canned tomatoes were being imported into this country and delivered to the wholesalers at a price less than the cost of production in our own country. This was one result of government action. Millions of bushels of commercial corn were imported into Canada just prior to our corn harvest last year. The market collapsed and our farmers had to take 30 or 40 cents a bushel less. It was found expedient to allow this corn to come into this country.

It is no answer to the farmers of this nation, when they are faced with an influx of poultry, eggs and other products, to say that under present legislation the government can take no action. This does not put any money in the hands of the farmers. I say it is time the government began to show some backbone and started to think about Canada first. Within 24 hours other countries can impose a duty, in spite of the Kennedy accord, on our exports to them, so why can we not do the same? The government says we might offend the country in question. I do not believe that is so. I think we have to have a new

approach, the same approach as that used by labour, management and business. I say it is time the government of Canada talked to the governments of countries exporting to this country and discussed quotas or ways and means by which trade can be carried on that would be of benefit to both countries rather than a boon to one and a calamity to the other.

There are many avenues in which we could move to establish harmony between nations and stabilize our agricultural economy. We expected to receive an indication in the throne speech that this would be done. We expected that the government would take an absolutely new approach to agriculture. They told us that is what they were going to do. We had no reason, other than their past performance, to doubt that they might. However, the speech from the throne and the Prime Minister's speech leave no doubt in the minds of the farmers of Canada that unless something drastic is done the great farming industry of this country will collapse. We are not going to solve the problem by moving farmers off the land.

If this government is under the mistaken belief that the consumers of this country are going to get any cheaper food if it is imported rather than produced here, may I say at once that will never come about. If anyone cares to follow the history of these matters he will find that once the local industry has been destroyed prices go up. I say, that we have had trading patterns. We have managed markets. We have restricted opportunities for sales in our own domestic market as a result of the amalgamation of companies. It is my opinion that in the case of some agricultural products offered on the Canadian market, the number of buyers has been reduced to about six or eight. There is no such thing as competition from supply and demand. We know that in many cases the price is an agreed price. The free enterprise idea in our agricultural economy is nothing but a myth.

I believe, therefore, that at this time this government should take a new look at agriculture. Here we are, a country that at one time was the envy of the world because we were constantly bringing out new varieties, new products, new methods of processing, shipping, storing and handling. Within a few years we find ourselves fighting for our very existence. We have the means and the research facilities. We have the Department of Agriculture. We have the facilities in this country. Let us not think in terms of subsidies, of continually increasing the necessary credit. Let us think in terms of pouring money into research. Let us show some leadership. Let us show some activity. We have universities that can handle some of these problems. Our great dairy industry is in danger as a result of competition from filled milk products. I doubt that many members on the government side know what a filled milk product is. These are the things with which we are faced.

The consumers are not going to pick up the tab because they are highly taxed already. When we talk about greater efficiency on the farm or inefficient farmers, we are talking about a myth. We have efficient farmers. As a matter of fact, our problem is that we grow many products that we cannot sell. I say to you, Mr. Speaker, let the government assume responsibility for this industry as it rightfully should. It is an industry that is controlled by governments, federal and provincial. Today the farmer is told what crops he can or cannot grow, whether he can or cannot have credit, whether he can or cannot increase the yield, whether he shall or shall not ship, how the product shall be packaged, and so on. What other industry is fenced in like agriculture? If governments are going to fence in this industry and try to drive it to the wall, then I insist that government has the prime responsibility. Why send out a task force to find out what is happening? We should do something immediately to solve at least one of the major problems facing agriculture today.

Mr. Hyl Chappell (Peel South): Mr. Speaker, it was a moving experience to take my place in this house amongst so many distinguished colleagues. It is with much diffidence that I rise for the first time. As did those who preceded me, Mr. Speaker, may I congratulate you and your deputies. May I also join with them in praising the mover (Mr. Corbin) and seconder (Mr. Marchand) of the address in reply to the speech from the throne.

I wish to speak on the expropriation of land by the federal government.

• (12:50 p.m.)

As a new member, may I refer briefly to the new riding of Peel South, whose constituents I have the honour to represent. We are faced with a problem which could arise in any riding, namely, the need to balance the

rights of individuals against the requirements of government in expropriation cases.

The boundaries of Peel South roughly conform with those of Mississauga, one of the largest municipalities in Ontario. At the south we have Port Credit, a major terminal in the seaway system. At the north is Malton, dominated by the Toronto international airport. The area is now about 25 per cent developed, but it is well planned for future residential, commercial and industrial development. Its enormous potential, along with the regional importance of the ports, makes the municipality of Mississauga a major factor in our country's economic strength. The shortest look into the future affirms that these ports and other services will have to be enlarged, and this brings with it the inevitable expropriation of homes and other property. Expropriation does and will take place in every riding, but the imminence of substantial further taking of land to enlarge the airports at Malton and Montreal leads me to speak on this subject at the earliest possible moment.

As chairman of the comparative law section of the Canadian Bar Association I have been obliged to examine the laws of other jurisdictions, and while doing so I was struck by the fresh approaches being taken in other countries. Those countries which have not yet brought their expropriation laws up to date and in line with today's concepts of what is businesslike and just are rapidly doing so.

The Expropriation Act under which most federal expropriations take place was passed in 1889. Since then there has not been one amendment that affected the principle of expropriating property or the method of providing compensation.

The act was adequate for the social conditions and governmental requirements of 19th century Canada. Then expropriations were few, business was uncomplicated, land was plentiful and easily replaced with a minimum of disturbance to the owner.

Since the first world war social change has created the need for governments and their agencies to take more and more land. Concurrently other forces have striven to acquire and regulate land which is now relatively scarce in many areas. This tremendous increase in governmental expropriations has brought the subject into the spotlight of public attention. Today everyone could be affected, and everyone cringes at the thought. While not denying the need for governmental expropriation, owners rebel at the manner in which it is accomplished. To me, a member representing one of the areas where new federal expropriation must take place, the shortcomings and antiquity of our act are most apparent.

What are these shortcomings?

No matter the complexity of the business being carried on or the extent of planning there may have been for expansion, there is no requirement that the owner be given notice of the intent to expropriate so that he may object and point out an error in choice or selection, or in the alternative adjust his plans.

Even when land is taken, which is done by the simple filing of a plan in the land registry office, the fundamental right of notice is not required; the owner is left to learn about it by chance. One wonders at this conflict with the bill of rights, which recognizes the right of an individual to enjoyment of property and the right not to be deprived thereof except by due process of law.

There is no requirement for the government to pay or offer to pay all or any part of the compensation at the time of expropriation, or even when possession is demanded and taken. Unless some amount is offered voluntarily, the owner is left to try to reinstate himself without funds. Needless to say, he cannot borrow on the security of his property because he no longer owns it.

In the event that the owner is unable to settle with the authority, he does not have easy and speedy access to a tribunal to determine the compensation. He must proceed by a petition of right in the Exchequer Court, with which he is unfamiliar, with all of the delays, expenses and frustrations which arise when there are no safeguards against them.

There is no guide line for the method by which his loss shall be determined. This has been left to case law. The case law principles, which determine the amount of compensation, fluctuate. There are gaps and inconsistencies in the statutory provisions. For example, if an owner's property is damaged by reason of the construction of a public work on neighbouring land, he may recover compensation. But if his property is damaged by reason of the operation of that same public work, he may not recover his damages.

He is entitled to interest at 5 per cent after he has given up possession, but this is not payable until the amount of compensation is finally determined by the courts. The interest rate was reduced in 1900 from 6 per cent to 5 per cent, and after judgment the interest rate is reduced to 4 per cent. When an owner is

faced with paying 9 per cent mortgage interest on the land expropriated from him, and at the same time paying perhaps 10 to 12 per cent on money borrowed to try to relocate himself, such unfairness may force him to accept almost any offer.

Consider what can and does happen to an owner whose $18,000 home, which is subject to a mortgage for $12,000 at 7 per cent, is expropriated. If the authority should volunteer an advance of $9,000, say, all of this must be applied against the mortgage, leaving a balance of $3,000. Years later, when he receives the balance of his compensation, he must pay $23,000, say for his new home and be burdened with a mortgage of $17,000 at a higher interest rate. In the meantime he has had to continue to pay interest on the balance of the existing mortgage on the land taken, but he receives only 5 per cent from the authority. For all practical purposes he is deprived of a home, or at least one which he can afford.

Or if an owner who has a small home worth, say, $10,000, with a mortgage on it for $8,000, accepts an offer of $10,000, he usually cannot replace his home for less than $12,000 to $15,000 simply because of the inadequate supply of homes in this price range. Thus he suffers a loss for which he was not responsible. Just last week an owner who lost such a home in Halifax paraded on our lawn protesting such treatment. He and others in his position expect expropriated homes to be replaced with similar ones.

Although an owner's land is invaded and diminished in value by an expropriation of part of it, or an easement over it or through it, such as landing equipment around an airport, he cannot call on the authority to take it all, as is the practice in England.

Although an owner's land may be depreciated in value because of general knowledge of pending expropriation—generally referred to by text writers as pre-expropriation blight—his compensation is set as of the date of expropriation without any allowance for reduction, which may be very substantial and was caused by the authority. In England such an allowance is made.

Hon. J. C. McRuer, retired chief justice of the high court in Ontario, in his royal commission report to the government of Ontario quoted Hon. J. Thorson, then President of the Exchequer Court who, in dealing with a federal expropriation, said in a judgment in 1956:

> I am not aware of any other country in the civilized world that exercises its right of eminent domain in the arbitrary manner that Canada does, and unfortunately, the example set by Canada has infected several of the Canadian provinces in which a similar system of expropriation has been adopted.

Although all Canadians recognize the need to expropriate for public good, public good includes the need to protect the rights of individuals. There should be a better balance between the individual's rights and the public interest.

Mr. Speaker: Order, please. I have to bring to the attention of the hon. member that it is slightly after one o'clock. I would invite him to continue his remarks when we resume the sitting at 2.30.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Chappell: Mr. Speaker, when the house rose for lunch I was speaking about expropriations by the federal authority under the Expropriation Act passed in 1889. I had pointed out the shortcomings and antiquity of the act and the need to bring it up to date and more in line with today's concepts of what is businesslike and just. Specifically I mentioned that the act did not require notice to be given of the intention to expropriate or of the actual expropriation itself; that it did not require the expropriation authority to pay any part of the compensation to which the owner was entitled, either at the time of taking or later when possession was demanded; that access to the courts was not simple and speedy; that the act did not provide guidelines for the method by which the compensation and loss should be determined; and that the interest rate on compensation was still 5 per cent, as determined in 1900, while the owner who lost his property would have to pay much higher interest rates on borrowed money in order to re-establish himself.

I come back now to where I was.

Although all Canadians recognize the need to expropriate for public good, public good includes the need to protect the rights of individuals. There should be a better balance between the individual's right and public interest. If the law lags behind contemporary attitudes, strains, discontent and distrust emerge.

I hope I have sufficiently directed the attention of hon. members to this problem,

that we may immediately bring our expropriation laws more in line with ordinary concepts of reason and justice and thus lead the way for the provinces and perhaps ultimately lead to uniform expropriation codes for all parts of Canada.

I have full confidence in this government and believe that if defects in our laws are pointed out they will be corrected. In this case there is an urgency. In British Columbia, Alberta, Saskatchewan, and Ontario expropriation laws have been under review and are being changed. This is our opportunity to do more than patch up existing legislation. We must develop a new concept of compensation which will speedily put a man in the same relative position that he was in before government required his property or government activity affected it. If we act promptly our legislation may have the additional advantage of influencing the provincial legislatures before their new acts are passed.

The task is not as great as it may appear. England has kept her expropriation laws up to date for the last 120 years. New Zealand and Pennsylvania recently brought theirs up to date. In British Columbia and Ontario Hon. J. V. Clyne and Hon. J. C. McRuer have studied the whole subject and made detailed recommendations.

I understand from the Minister of Justice that a new act will be brought forward, but in the meantime, I am sure that the people of Peel South and all Canadians who are affected by expropriation may have the assurance of this government that everything possible will be done that may be done within the framework of existing legislation to relieve against the present deficiencies in our legislation.

Mr. Martin P. O'Connell (Scarborough East): May I begin, Mr. Speaker, by congratulating you on your re-election and by congratulating Mr. Deputy Speaker and the Deputy Chairman of Committees for being elected to the important offices they hold. I also wish to congratulate the hon. members for Madawaska-Victoria (Mr. Corbin) and Kamloops-Cariboo (Mr. Marchand) for their excellent statements in moving and seconding the Address in Reply to the Speech from the Throne.

I have the honour to represent the newly created riding of Scarborough East, situated on the eastern boundary of metropolitan Toronto. The residents of my riding were formerly in the riding of York-Scarborough and were so ably represented in the previous parliament by the hon. member who now represents York-Scarborough. On behalf of my constituents and on my own behalf may I congratulate the hon. member on his appointment as parliamentary secretary to the Secretary of State. In a previous parliament my constituents—and they well remember this—enjoyed the energetic and distinguished representation of Mr. M. J. Moreau.

As hon. members know, the borough of Scarborough for the past decade has undergone exceptional growth. It may well double in population in the next 15 years. The eastern portion of the borough, that part covered by the constituency of Scarborough East, is growing even more rapidly and promises to double in population in the next five years. Much of the undeveloped land remaining in Metro Toronto lies in the constituency of Scarborough East and the pressures for residential and industrial development are extremely high. Indeed, five areas within the new constituency, each of which will result in communities of between 20,000 and 30,000 persons, are in various stages of development.

• (2:40 p.m.)

One such area is the federal-provincial land assembly scheme at Malvern, involving some 1,800 acres acquired 15 years ago in 1953 but on which the first housing is expected to appear only in 1970. Hon. members will appreciate the severe strains caused by such growth, not only in blending new areas with established communities but also the strains on municipal finances in providing water and sewer services, schools, recreation facilities, public transportation and other services. In a constituency such as mine, residents come to realize the limitations of many urban municipalities as presently organized, administered and financed to meet growth problems, and accordingly they expect greater initiatives from the provincial government, particularly in lifting a more substantial part of educational costs from local property taxation. They expect also a better co-ordination of federal, provincial and municipal functions than, for example, has been evident in the tragically slow development at Malvern even in the face of a mounting housing crisis.

They expect new policies and programs from the federal government to cope with growth problems in such fields as inter-city transportation, rapid transit, pollution control, housing, basic utilities, and the creation of new towns within regional development

plans to relieve pressures on existing metropolitan areas. I will not expand on urban problems, Mr. Speaker, but I do hope to have an opportunity, together with provincial and municipal elected representatives in my constituency, to place a brief before the task force on housing and urban affairs when it visits metro Toronto at the end of this month.

I would like today to offer some thoughts and proposals for the development of policy in Indian affairs. I appreciate this is an extremely complex field, and though I have some small background in it I know there are many hon. members here more qualified by experience than I to speak on it because of the presence in their ridings of Indian communities. But I believe we were all encouraged to enter upon these problems by the references in the throne speech to Indians, to the righting of wrongs and the opening of new opportunities, and by the high priority placed by the Prime Minister (Mr. Trudeau), shared by all hon. members, on the eradication of poverty and the attainment among us of a higher order of justice.

There is in Indian affairs in Canada a new citizen frontier. It is there because Indian citizens are now making a collective decision to integrate with general society. We cannot view this as anything less than a major turning point in the history of the new world. In our generation we are seeing a transformation of the life of native citizens, the giving up of historic communal isolation, as Indians come to see that taking possession of this land again really means sharing in the making of its future, and come to see that only by sharing in making a common future can they repossess themselves as full men and women and, as contemporary Canadians, be assured of retaining an Indian identity. That collective decision and turning point and our response to them are the new frontiers of opportunity and obligation opening before us in this parliament.

How are we to play our part? Let me begin by stating two basic assumptions that underlie what I propose to say. The first is that Indians in the main do wish to integrate with the general stream of Canadian life, to share fully in it as equal citizens but not to assimilate in the sense of disappearing as Indians. They seek to integrate as individuals and as entire communities while retaining a sense of communal or ethnic identity.

The second assumption is that the reservation community will remain the permanent base of Indian community life for the foreseeable future, hopefully in a modified and more developed form. I will not stop here to defend these positions but I do wish to make them explicit because unless each of us defines his attitude on these two basic questions he will, with respect, Mr. Speaker, be unable to help shape successful public policy, and will be unable to assist Indians to build those internal strengths and programs of self-help vital to progress.

Before suggesting some specific proposals in such areas as economic development I would like to recall very briefly to hon. members some facts concerning the situation of Indians in Canada today.

The more than 225,000 registered Indians of Canada belong to some 556 bands living in over 2,000 reserve communities set aside by treaty over the past 100 years for their exclusive use and designed to support a traditional way of life. Many reservations have populations under 100 persons. However, 60 per cent of Canada's Indians, and over 70 per cent of Ontario's 55,000 Indians, live in communities with populations ranging between 500 and 2,000, with the exception of the Six Nations reserve near Brantford of approximately 8,000 persons.

These larger communities, as well as certain smaller ones, offer opportunities for economic and social development. However, not only have they been isolated from the mainstream of social and economic life, they have also been insulated from each other by language differences, inertia, poverty and physical distance. A wide range in the level of cultural development separates Indians from each other.

Internal divisions arise within communities as to the best course to follow, and the lack of effective local government machinery capable of developing a working consensus further impedes action. To meet the wide variety of needs under these circumstances there are required special and flexible approaches not yet available under the existing Indian Act nor, I would add, under the present structure of the Indian affairs branch.

The outstanding fact of Indian life is poverty. Indian poverty is self-perpetuating. It goes around in a circle that has not been broken in a century. No matter where one enters the circle, at the point of education, or at the points of health, housing, employment, community development, pride in self, or motivation, one is led from one point to the other

around the full circle. The circularity of Indian poverty and the inter-penetration of one condition with another surely means that only a broad, comprehensive approach can succeed in raising standards of life and personal development in keeping with current Indian expectations. The new Indian initiatives and the historical decision to integrate, to which I referred earlier, hold out the brightest promise in centuries that the cycle of poverty, with our help, can be broken in our generation.

You are already familiar with the main measures of the gulf of poverty across which Indian citizens live, and I will not review them here. Another fact of Indian life as important to us as poverty, and perhaps more important in its implications for a future of justice and development, is the sense of grievance and injustice harboured in many Indian communities. Again I do not intend to dwell upon this subject this afternoon apart from expressing the hope that the Indian lands claims commission bill will be introduced early in this parliament and, further, that we will deem it urgent and proper to amend the Migratory Birds Convention Act, passed by parliament 50 years ago and which, however unwittingly, did abridge and violate the hunting rights of Indians agreed to in solemn treaties.

• (2:50 p.m.)

I wish to turn now to some specific proposals which may contribute to progress. The first may be summed up as a plan for the economic development of Indian communities through industry and employment. Surely opportunities for gainful employment must rank in the forefront of all plans. One need not deny the central importance of education, but we tend to believe that education will solve all problems. Education is only one point on the circle. The essential point, I believe, is that success in other programs, like housing, welfare, health and general community development, depends to a major degree on building economies capable of supporting such programs and services. If we are to be serious about Indian communities and their self-reliance and not expect them simply to wither away, then we must integrate them as viable communities more closely with the mainstream, with standards of life approximating the general standard. This means attempting to create economic activity on or near reserves, wherever feasible, capable of providing employment and developing the community. In fact, as I see it a systematic program of economic development, such as I propose to describe, provides the essential incentives as well as the means for other developments. Let me suggest the outlines of such a plan to replace the present weak, scattered and unco-ordinated programs of low capability.

To achieve economic development in difficult circumstances, there should be established an economic development agency closely related to, though not necessarily located within, the Indian affairs branch and staffed with professional, technical and development personnel, including Indians. Such an agency should administer an economic development fund of perhaps $25 million but be charged with more than mere lending functions. It would, for example, with the collaboration of the band councils, undertake feasibility studies for industrial enterprises of various kinds on or near reserve communities. It would undertake an evaluation of natural and human resources of Indian communities; it would make repayable loans and certain non-repayable grants to assist in the promotion of industrial projects of Indian bands, co-operatives, individual Indians and approved non-Indian persons. The development agency, with the approval of band councils, would be prepared to supply technical and management personnel at certain stages of project development. With the approval of band councils, the development agency should encourage companies to locate certain operations on or near reserves to expand employment opportunities.

The agency should also seek to arrange with major Canadian industries to provide on-job training programs for selected Indian workers and be prepared to share in the wage and other costs of such programs. The agency should assume job placement functions and work in close co-operation with the manpower centres and existing vocational and technical training programs. It should co-ordinate and ensure the extension to reserve communities of existing development programs such as ARDA and FRED, the area development programs, and of provincial programs. An important function would be to conduct a study of credit available to Indians and to encourage savings and credit institutions in reserve communities.

Such is a brief outline of a development agency supported by substantial development funds and specialist personnel. It is designed to do a comprehensive job, recognizing that existing programs and facilities fail to meet

the special needs of Indian citizens, and recognizing also that industry and employment are basic foundations for success in most other fields. An essential requirement in complex development fields is for an agency more flexible than a government department and more capable of tapping provincial and other resources.

I should also like to draw the attention of the house to another salient in the new frontier—the need to encourage mutual aid associations, self-help and other organizations among Indians and Eskimos. Such voluntary agencies and groups proliferate in general society but only now begin to emerge among Canada's native people. Not only do we too often fail to encourage Indians to establish such groups, we fail to support those that do emerge. Consider for a moment the importance to individual pride and group solidarity of the aid organizations developed by immigrants. The civil rights movement, for example, has been a powerful force creating group pride and self-improvement. Indians need such mutual help organizations. The evidence, I believe, is that group and individual pride and dignity are directly relevant to integration.

I would like to advance a proposal designed to bring assistance to Indian organizations and to serve an essential purpose in the cultural field which is so directly related to the question of Indian identity. This proposal, which is for the creation of a Canada Indian institute, is made as a response to Indian appeals and initiatives particularly on the part of Indian youth. Among the characteristics of a Canada Indian institute, as I see them, are the following.

It should be an autonomous national body established by the federal government upon the request, preferably, of a national conference of Indian people. Its relations with the federal government should be similar to those of independent councils and crown corporations, for example, the Canada Council. Its board of governors should be composed of Indians, Métis and other citizens. Its financing should be based largely on government funds but it should also actively solicit private funds from foundations, corporations and individuals.

Among the interlocking functions and activities of the proposed Canada Indian institute should be these: first, to affiliate with the Inter-American Indian Institute. This is an international body formed in 1940 and supported by some 18 member countries but not by Canada, I may say. It serves as a clearing house for information on Indian developments and on the methods of improving their social and economic conditions. There is no doubt in my mind that Canadian affiliation with the Inter-American Indian Institute would be of significant advantage to Indians of Canada. It seems to me there is every reason to expect that Canada's external aid program should include aid to other countries to assist in the development of Indian communities throughout this hemisphere and for cultural exchanges between Canadian and other Indian groups. Canada might indeed, a few years hence, become the host country to an international congress of Indian and other native people of this hemisphere to the great advantage of Canadian citizens, not only those of Indian and Eskimo ancestry. On the cultural plane alone, though I would add the political and social planes also, the native people of Canada have much to contribute to such a gathering. We know, for example, that some of the high art of the hemisphere has been produced by Indians of the northwest coast of Canada.

Another function of the Canada Indian institute would be to assist Indian, Métis and Eskimo organizations to develop, operate, assist, for example, and finance up to some reasonable point such organizations as the Federation of Saskatchewan Indians, the B. C. Native Brotherhood, the Union of Ontario Indians, the Alberta Métis Federation, the Manitoba Métis Association, the Quebec Indian Association, the Canadian Indian Youth Council, and the Canadian Indian Brotherhood. I mention only a few among many examples of regional, provincial and national native organizations. These organizations need financial aid to provide themselves with a small secretariat, to engage expert legal and other consultants, and to meet as organizations, and with other associations, in order to overcome decades of isolation as well as to examine problems and goals sufficiently to make solid contributions to development and to share in the decisions affecting their lives. It should be possible for government to contract certain community development functions to such Indian organizations since many of them can do the job better than government agencies.

• (3:00 p.m.)

Another function should be to establish a technical and a consulting group within the institute to provide educational services, research, much needed legal, financial and

other advisory services to Indian and Eskimo communities and organizations.

The institute should sponsor an extensive travel program for Indian youth and adults on visits to other Indian communities and to other parts of Canada to familiarize them with their opportunities. It could and should assist in holding in Canada an annual Canadian Indian conference lasting perhaps one week and attended by representatives of all native communities and organizations, assisted by expert personnel. The holding of such annual conferences managed by native people and free from direct sponsorship by government would undoubtedly result in a growing self-confidence and consensus among native people as to their own goals in the days to come. It should result in an authoritative body of Indian people capable of enlightening the people of Canada and in influencing the course of future public policy.

The institute should undertake special programs to foster cultural development of Indian communities and cultural activity in the performing and expressive arts. This is a neglected area in Canada. Programs lack cultural focus and they falter. The new and promising cultural affairs section of the Indian affairs branch has subsided. The cultural field is one in which North American governments appear confused and unfamiliar, hence the need of a definite action capability on the part of the proposed Canadian Indian institute.

The objective must be to encourage native people to keep vital and to keep reworking those universal and particular elements in their cultural patterns that will assist them to participate fully in contemporary life while retaining their basic Indian or Eskimo identities.

Cultural development turns the key to community and general social development. We tend to forget this. It is here that internal strengths are generated, that a sense of communal identity and individual pride are rooted, and it is here also that native citizens make valued and unique contributions to the many cultural streams in the Canadian pattern. We can no longer conceal from ourselves, if we know what Canada means, that through indifference on the one hand or repression on the other, a people was deeply wounded through undermining the cultural source of their lives. If we are not blind, therefore, we will put in the highest category, above education, above economic development and above housing, freedom and support for those cultural rights and needs, whether in the performing or expressive arts, in language or other cultural modes which Indian and Eskimo people themselves determine to be the basic nourishment of their being.

[Mr. O'Connell.]

The institute should assist in establishing a Canadian Indian college, an institution largely unhampered with regulations as to previous academic requirements but geared rather to a flexible learning process and devoted to studies in Indian history, social and moral values, cultural patterns and attainments, and to their application to the needs of native people in the contemporary world.

I have been suggesting some rather specific new approaches and institutional arrangements in the development of policies in Indian affairs. I should like to conclude by telling hon. members that some months ago I had the duty, when president of the Indian-Eskimo Association of Canada, of writing to the then Prime Minister expressing concern at the underachievement and the apparent subsidizing of the community development program. I have to reiterate here that same concern regarding the non-realization of the great potential of that program.

At that time the association recommended the appointment of a task force—they have since proliferated—to examine the status of the community development program and to consider the feasibility of establishing an Indian development corporation capable of fulfilling complex social and economic roles not readily open to government departments.

The association recommended also high level discussions between the Prime Minister and the premiers of the provinces, believing that only when the provinces faced up to their constitutional and moral responsibilities to extend their services and development programs to reserve communities would real progress be attainable.

I would like here to renew this request for a ministerial task force and state that in my opinion the most important step that could be taken at this time is to engage Indian communities, Indian organizations and individuals as well as provincial authorities an other agencies in a sustained consultation to study the whole question in all its aspects so that new directions may emerge.

There is a tangled web of conflicting jurisdictions; there is an uncertain approach to responsibilities to Indians, Métis and

Eskimos, and there is also a failure to consider the problems of urban and urban bound native peoples. There is a pressing question of restoring and upholding treaty provisions, the proper roles of such public service organizations as the C.B.C. and the National Film Board. There is also the question of the relevance of the present structure and functions of the Indian affairs branch to the changing needs of today and other matters on which a working body of information and knowledge independent of that now possessed almost as a monopoly in the Indian affairs branch would prove valuable to hon. members as they consider the role of this parliament in Indian affairs.

What I am suggesting is that the commendable start being made in the present consultations regarding changes in the Indian Act be followed by broadened consultations with Indians on matters they wish to have discussed so that they will in fact experience a direct participation and involvement in decisions affecting their lives and ours, as well as discussions with other relevant and responding resources, principally the provinces. This should not be another lengthy study by academics, valuable as that may be, but a study by a small task force touring the country and developing recommendations on policy and programs to guide this house in the steps I feel sure it will want to take at the earliest opportunity.

By suggesting a few initiatives I hope I have indicated a few of the considerations which such a task force might investigate.

It is my conviction that no group of citizens can in fact take greater strides to help us all create a just society than can the Indian peoples of Canada. We have not been listening to Indian citizens or responding to their needs. We can unite our futures in equality. An unrivalled opportunity to do so lies now before this parliament.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, first of all I wish to congratulate you on your election to the position of Speaker of the house. I have heard others describe your ability in superlative terms and I am sure that these descriptions are accurate. However, since I have had the pleasure of meeting Your Honour only recently and observing your direction of the house for a short period of time, I would simply like to say that I am impressed with your pleasantness, fairness and stability.

• (3:10 p.m.)

I am told that it is customary to confine the remarks contained within one's first speech to matters pertaining to one's constituency and therefore I intend to speak in that light. The constituency of Athabasca is the largest in the province of Alberta and is situated in the northeastern section of that province. It contains approximately 55,000 people and a variety of natural and human resources. At present probably the largest functioning industry of the constituency is agriculture. However, since the Athabasca tar sands are located in the riding and the oil refining facilities which are being developed at Fort McMurray are progressing, the possibility of oil refining becoming the largest industry in the near future is quite great.

There are also vast forest reserves in the riding. Wood Buffalo park is contained within the riding, and in Wood Buffalo park there are approximately 17,000 buffalo, together with minerals and other natural resources. The population of Athabasca, as I have mentioned, is quite varied. There are approximately 25 Indian reservations and several Métis colonies. Therefore problems pertaining to Métis and Indians are of great importance to me.

There are no cities contained in the riding. The major population centres, starting from west to east, are the towns of Peace River, High Prairie, High Level, Fort Vermilion, Slave Lake, Lac La Biche, Fort McMurray, Bonnyville, Elk Point, Cold Lake and Grand Centre containing the Canadian forces base. The largest towns are Peace River and Fort McMurray. Because the riding is so vast, with widespread population centres, there are many problems. Isolation is a great factor contributing to problems in the more northerly sections, since road construction in the north has been rather slow and many areas are accessible only by air with any ease.

The major problems in the riding as I see them, and about which I wish to speak, fall into three categories. The first, of course, is agriculture; the second, poverty and unemployment, with particular reference to Indians, Métis and small farmers. In this category I would like to include housing, unemployment and health and welfare. The third major problem is that of isolation, with subheadings of communications, particularly in reference to the construction of roads, and radio and television services.

I would like, therefore, to begin with the problems of agriculture. Most of the farms in

the Athabasca riding are of the mixed variety. The average farm consists of about 200 to 300 acres under cultivation. Because of soil conditions in that part of the country, and because of the economic state in which agriculture is today, this acreage is not sufficient to constitute an economic farming unit. According to the Alberta department of agriculture, somewhere in the vicinity of 600 acres of cultivated land is required to make a functioning, economic farm unit.

The greatest single factor which has contributed to making these small farms uneconomical is the fact that the price of farm products has not risen in the past 15 to 20 years. I am referring in particular to the price of wheat, hogs and beef. On the other hand, the price of farm machinery has more than doubled during this period. We might use as an example a tractor which pulls a three-bottom plow. In 1950 this machine could be purchased for about $2,500. Today the same tractor sells for somewhere between $5,000 and $6,000. Because of this unhealthy economic situation, many small farms are being abandoned.

In general it appears that the small family farm is becoming obsolete and is on the way out. But I question whether this is the best solution to the farm problem. Not every farmer wishes to give up his small farm. Many people who live on farms enjoy rural living and do not want to move to cities; yet because of unhealthy economic circumstances they are forced to do so.

Shortly after the election, when it became apparent that a party other than mine would form the government, I was asked by many whether there would be anything I, as an opposition member, could do in order to reach a solution to the problems which exist in the constituency. My reply was that I would try to promote what I thought were good ideas and that I would support anything the government did which I believed would be good for the area. I said I would oppose only those things which I thought would not be good for the area or the country.

With this in mind, I wish to say that I do support one of the things which is being done to aid the plight of the farmer. I am referring in particular to the functions of the Agricultural Rehabilitation and Development Act or ARDA, which is already in operation. I am bringing ARDA into the picture at this point because the act is set up to assist rural communities to improve their economic status. Naturally, the farmer who is running a small, uneconomic farming unit should qualify for some sort of assistance through the ARDA program.

As I have mentioned, many people are giving up their small farms and some are enlarging their operations. The principles of ARDA are to help those who wish to enlarge their farms to purchase other, developed land or to clear and open new land. The ARDA program is also aimed at helping those who wish to give up their farms in order to be retrained and relocated in other jobs. This, in theory, sounds beautiful, but in actual fact the program is not working that way. The machinery of the ARDA program seems to be in great need of lubrication. It is ponderous and does not function effectively.

Only about two weeks ago I met with farm leaders in one of the areas of the constituency. They had attempted to deal with ARDA for the past couple of years. One of the projects, which was applied for more than a year ago, pertained to increasing the cultivated acreage. This was to be done through clearing and opening new land which existed on their farms. More than a year had gone by and nothing had been done to consider this project up to the time of our meeting. About three months ago some farmers applied to have their land assessed and sold through the ARDA program, and again nothing has been done to date.

The machinery of ARDA is set up in such a way that any given project proposed by a local community must go through five committees before it obtains final approval. The first of these committees is composed of ordinary provincial civil servants. If they approve the application it goes to a provincial deputy ministers' committee, then to a provincial cabinet committee and then to a committee in Winnipeg. Finally it gets to a committee here in Ottawa, which gives it final approval. If it takes more than one year to get by the first committee, how long will it take for a project to receive final approval? I am raising this matter because it is of some urgency. When ARDA was first described in my constituency farmers saw it as a ray of hope, but they are becoming disillusioned because of the slowness of the machinery.

Within the past six months, in one poll alone in the constituency it was found that 12 farmers had given up their small farms, but there was no ARDA assistance available to them for relocation, retraining or anything

else. The program I have just discussed pertains mainly to farmers who are in great distress, but those who are not in as great distress also have many problems. I have already mentioned one of these problems, namely, the high price of farm machinery. I am therefore anxiously awaiting the report of the Barber commission and hope it will contain recommendations which will provide some element of stability with regard to the price of farm machinery in relation to the price of farm products.

• (3:20 p.m.)

The most glaring problem that farmers face today is that of the disposal of their products, particularly wheat. I am sure everyone is aware of the importance of wheat sales, and I am sure that any hon. member who has wheat farmers in his constituency will probably speak on this subject and will agree that action toward an aggressive world wide wheat policy as a long term solution to the farm problem is necessary, while a short term solution would be to make larger advance payments to the farmers for farm stored wheat. For example, I should like to see more of Canada's foreign aid be in the form of provision of food, particularly wheat, to other countries to a greater extent than has been done in the past. For instance, India alone has an annual birth rate of 21 million and is acutely short of food. Other far eastern countries are also short of food while we in our country have a vast surplus of food supply. It should be possible to neutralize these two great disparities in some way and at the same time to relieve problems of food shortage and lack of markets for our products.

The next major problem in the constituency which I wish to discuss is that of poverty and unemployment. As I mentioned before, it applies mainly to Indians, Métis and small farmers, but also to others. Along with this topic I might refer to the question of housing as it applies to my constituency. Reservations located in my constituency, as well as the Métis colonies which exist there, do not appear to be self-supporting at the present time. There appears to be insufficient capital on these lands to develop the land for agricultural use, and at the same time there are not sufficient numbers of other jobs on these lands to employ the people who live on them. This unhealthy situation contributes to a chronic condition of poverty, unemployment and underemployment with all its associated side effects.

It soon became apparent to me in my travels during the campaign through most of the reservations and Métis colonies that the majority of Métis and Indians live in houses that are not fit for human habitation. I hasten to add, however, that there are occasional houses which are reasonably satisfactory. Because of poor housing conditions, overcrowding is very common. Poor water supply or no water supply is common. Many people living on reserves and colonies drink water from sloughs, lakes and streams. This type of drinking water is a definite health hazard and therefore dysentery is quite common among the children. Because of poor housing, overcrowding and undernourishment, the rate of tuberculosis in these areas is higher than nearly anywhere else in the country.

Many factors must be considered in order to try to improve the status of the poor in our area. When one considers that the Athabasca riding is probably the richest in Canada in natural resources—and again I am referring to the Athabasca tar sands—it is difficult to accept the fact that it probably also contains the largest number of poverty-stricken people of any constituency in the country. Many of our people who are in the poverty-stricken state are, of course, receiving provincial welfare, while some of the Indian people receive welfare from the federal Indian department. However, this is no way of solving the problem of poverty. The method of doling out welfare adopted today probably originated with Robin Hood. The idea is to solve poverty by taking from the rich and giving to the poor. Here it is taken from those who have by the government and given to the poor by the government. But this does not solve the problem of poverty; it simply prolongs it. A poor person cannot be made not poor by a gift of money because once he spends the money he is poor again. Therefore I feel that giving people outright welfare is only a good temporary solution but is not a satisfactory long term solution to the poverty problem.

It seems to me that in order to eliminate poverty on a long term basis, resource development is required, and I am referring to development of human resources as well as natural resources. Human resources must be developed in such a way that a person can then look after his own needs on a permanent basis, and natural resource development must be carried out simultaneously in order to give him opportunity for employment in his home area.

The greatest factors contributing to poverty and unemployment in my constituency are lack of education, lack of trade skills and lack of jobs. These, of course, result in part from isolation, as mentioned before. So in order for a long term solution to be found, the poverty-stricken population must be assisted to develop to the point where they can eventually look after themselves. Therefore isolation must be removed, either by bringing training facilities to isolated posts or by moving isolated populations en masse to areas where they could develop their own potential, or else a combination of these two suggestions could be used.

However, education is only one factor in solving the problem of poverty. There are many others to be considered, such as community development programs, preventive social service programs, and the reassessment of the welfare program as it exists today. The reassessment of the welfare program is necessary because the present set-up discourages people from trying to look after themselves. A certain earning level is considered necessary to feed, clothe and shelter a family of a given size, and if a man earns a given number of dollars, then the difference between his earnings and his need is made up by the welfare department. However, if he earns less, then he simply gets more from the welfare department, and if he earns nothing he gets all from the welfare department. Sooner or later this encourages such people to earn nothing because they see no point in working when, if they do not, all of the money will come from welfare anyway.

I am not saying that this happens in the case of all welfare recipients, but am merely trying to point out the fact that the program as it exists takes away the motivation and the ambition of poor people to look after themselves. Therefore I suggest that the program be altered and that welfare assistance be given as a percentage of what a person earns or can earn after his earning potential and his needs have been considered so that to a certain extent, if he earns more he would get more from the welfare department. This would at least make him more motivated to continue seeking employment, however temporary it may be.

It has also been observed in my constituency where new industrial development is taking place at Fort McMurray that this does not necessarily solve the problems of unemployment in the area because many of the unemployed or underemployed are not trained for the jobs which are available, and also because many of them have poor working habits and cannot hold jobs for long. As a result, people from other parts of the country are brought in to fill the jobs and the local unemployment problem remains the same. Therefore, in order that industrial development in that area can succeed in removing the unemployment problem, a co-operative effort must be made involving both the needs of the industry and the development of educational facilities. I wish to point out that there is a program of this nature in Lac-la-Biche. It is called Alberta Newstart Incorporated, and is designed to upgrade the way of living of the inhabitants in the area and to increase the earning potential of the unemployed and the underemployed. I feel this is a good scheme and I give it my wholehearted support. I wish to assure the minister responsible that I will do everything I can to ensure the success of this program.

I know that at the present time the Indian Act is under review and hearings are being held across the country with representatives of various Indian bands. I do not claim to be a good spokesman for Indians. I was told by an Indian once that it takes an Indian to really understand another Indian and his needs. However, from my conversations with many Indians it is my conclusion that Indians should be given as much autonomy as possible in the management of their own affairs. I feel that for too long the Indian has not been given enough credit for his ability to manage his affairs. May I remind the house that he managed quite well before the white man ever got here. In many areas there exist distorted views of what the Indian really is. Some people consider him to be subhuman and treat him accordingly. Some people do not know that he has the same needs, feelings, emotions and potentials as any other human being. I feel that if an Indian is given a chance to manage his own affairs, he will do more to solve his own problems than can anyone else.

• (3:30 p.m.)

The final major point for discussion is the problem of isolation and lack of communication plaguing large sections of the constituency. It is urgently necessary that the roads to resources program in the north of a previous government be resumed in its original or in a modified form. Road construction through these northern areas. starting from Fort McKay, which is north of Fort McMurray, to

Wood Buffalo park, with a branch to Chipewyan and then continued to join the highway to Fort Smith on the Northwest Territories border should be continued without delay. There has been delay in construction because of negotiations taking place between the federal and Alberta governments with regard to the boundaries of Wood Buffalo park. If the boundaries remain the same, and if the road must go through Wood Buffalo park, then the federal government is responsible for construction of the road within the park. The provincial government, of course, would be responsible for those roads outside the park's boundaries. I suggest that since negotiations concerning the boundaries have been going on for so long without reaching a definite conclusion, the federal government should go ahead with the construction of that part of the road which falls within Wood Buffalo park. This should be done in conjunction with the feasibility studies the provincial government is now undertaking concerning the best location for the road.

Once the road to Fort Chipewyan is built, then it could be extended to Uranium City in co-operation with the Saskatchewan government. Some communications on this subject between the two governments have already taken place. In any event, construction of this type of road would certainly be a great boom to further industrial development in that area, as well as in relieving the acute isolation of many settlements at the present time. While we are on the topic of Wood Buffalo park and the road, this may be the appropriate time to suggest that industrial development of mineral resources in Wood Buffalo park would then proceed. This development would provide employment for many of the residents in that region, particularly around Fort Chipewyan.

I wish to mention another type of communication at this time, and that is television and radio service to northern areas. The town of Fort McMurray has no television. The towns of High Level and Fort Vermillion do not have television service or satisfactory radio reception. Fort McMurray contains about 6,000 people, while High Level and Fort Vermillion combined contain approximately 4,000. The growth potential for these towns is good, and I would urge the development of facilities for these towns immediately.

C.B.C. television could be brought to Fort McMurray through Lac La Biche, and to Fort Vermillion and High Level through the towns of Peace River and Manning, thus servicing large population centres. The lack of television facilities in these northern towns contributes a great deal to the feeling of isolation. I know consideration is being given to satellite transmission of television in the north. I certainly hope this materializes. One way or another, I feel it is urgent that television service be provided within the next year. Television facilities in these areas would create better recreational opportunities and would be informative as well as educational.

I should like to give an example of what I mean. During the campaign, about two or three weeks before election day, I went to meet people in some isolated areas and introduced myself as a candidate in the coming election. Not uncommonly, the reply was "what election?" This certainly brought out what lack of communication means in a given area.

In recent months we have heard numerous eructations of the phrase "just society". I wish to make some comments on this. This term has been heard often, yet the originator of the term has never really defined this so-called just society. Does it mean socialism or does it mean greater emphasis on free enterprise? Does it mean social measures aimed only in the direction of the greatest need? I hope it does not mean the creation of general, socialistic measures. I hope it does not mean socialism because I feel that if any justice in our society is to exist it has to be based on a foundation of maximum freedom for the individual. Individual freedom was mentioned in the Speech from the Throne. Justice or a just society cannot exist without a foundation of individual freedom because if across the board social welfare measures are introduced on a compulsory basis this takes away one's freedom of choice in two ways, freedom of choice whether or not one wants the measure and freedom of choice whether or not one wants to pay for it. I hope, therefore, that in a just society humanitarian programs will be designed only for those who are in need and that freedom of choice will remain available for those who are not in need.

This brings me to the question of regional disparities. As I previously mentioned, solving the problem of the poor by taking from the non-poor is temporary and unsatisfactory. The problem must be solved not by taking from the non-poor and giving to the poor but by providing opportunities for the poor so that they, on their own initiative, can become non-poor. Local regional development would

lead to increased productivity in that area and the regional disparity would disappear.

Returning to the just society, may I say I feel that a compulsory medicare program, is not just. I am not opposed to medical insurance. I think that medical insurance is good, as is car insurance or fire insurance. However, I am opposed to compulsion because compulsion takes away a man's freedom of choice. When you take away a man's freedom of choice, then you are creating a situation in which there is decreased justice. I know the medicare scheme has already been discussed at length but I should like to see reconsideration of it. I agree there should be a conference between the federal government and the provinces to reassess the scheme as it exists, to provide medical services for the needy but on a voluntary basis for those who are not in need. In my opinion, this would be more just.

These are my comments, Mr. Speaker, on the three major problems facing the constituency of Athabasca today: agriculture, with particular reference to the uneconomic farm unit and wheat sales; poverty and unemployment, with particular reference to the Métis and Indians; and isolation, with particular reference to northern road construction and television services. I hope the government will take up the challenge and face these problems without delay.

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, I trust I will be forgiven if I mention the fact that three lovely ladies from Chilliwack, which is some considerable distance from here, have apparently come to this chamber just to hear me make my maiden speech. I rise as a neophyte to participate in the throne speech debate. I am only too pleased to join my colleagues in extending sincere congratulations to you, Mr. Speaker, on your appointment as Speaker of this house. The masterful manner in which you direct deliberations has already indicated that procedures here will be expedited. The province of British Columbia is especially proud that the hon. member for Kamloops-Cariboo (Mr. Marchand) was selected to second the motion for the Address in Reply to the Speech from the Throne which was so ably moved by the hon. member for Madawaska-Victoria (Mr. Corbin).

• (3:40 p.m.)

At the outset I wish to pay tribute to my predecessor, Reverend Alex B. Patterson of Abbotsford, B.C. He served my riding with sincerity and desire for almost 18 years, broken only by a four year period from 1958. He was temporarily replaced by a more Conservative friend of mine, Mr. Harold Hicks of Agassiz.

I would also ask your indulgence, Mr. Speaker, to permit me to bring greetings from Mr. George Cruickshank of Abbotsford who was the last member of parliament of the Liberal party to represent my riding. He served the constituency diligently and well.

It appears fitting, Mr. Speaker, inasmuch as my election replaced the acting leader of a political party and the election of the hon. member for Burnaby-Seymour (Mr. Perrault) also replaced the leader of a political party, that we now sit as neighbours on the side previously occupied by our predecessors. I assure the Leader of the Opposition (Mr. Stanfield) that although we are entrenched here next to the demilitarized zone, we shall at all times endeavour to represent our areas with a proper measure of decorum.

The speech from the throne confirms the pre-election assertions to my constituents—a pragmatic and fresh approach to good government.

My constituency is Fraser Valley East in the lush garden of Canada, British Columbia. By virtue of the comparatively limited space suitable for land farming, my area leans heavily to diversity in food production. The constant increase in urban population is creating new challenges to our farmers. The splendorous mountains serve to attract tourists but also severely limit future food production.

The preservation of green areas in the Fraser Valley has now reached a degree of urgency and is a challenge which must surely be met in the very near future. It is my fervent plea that during this session of parliament we will consider ways to provide leadership by persuading other governments, whether provincial, municipal or civic, to plan now for future land accommodation in the Fraser Valley, so as to meet the food requirements of British Columbia's urban areas and avoid costly transportation of products from east of the Rocky mountains.

The people of my riding view with increasing alarm the serious threat to our farm lands which will certainly result if plans proceed to establish new railway links through these rich lands. Our two national railways, acting in concert with B.C. Hydro, seem determined to impose the Roberts Bank railway line despite the alternative route which exists, a route

which has the full support of planning authorities and a host of interested associations. Thousands of acres of fertile cash crop acreage have already fallen prey to industrialists who are unquestionably placing monetary expediency above the present and future requirements of the people. It is the earnest wish of my constituents, as evidenced by the multitude of submissions, that parliament promptly use whatever jurisdictional authority it can muster to revise existing plans based on the findings of the lower mainland regional planning board.

The wise decision of the federal government to assist in distributing cereal feed grains throughout Canada on a reasonably equitable basis has resulted in accelerated development of the production of animal proteins for our daily diet. This segment of the agricultural industry, coupled with small fruits, cole crops, field vegetables and tree nuts, provides adequate supply with surplus to ship to other markets.

Fraser Valley farmers are somewhat puzzled by the recent report from the Economic Council of Canada to the effect that there is a serious gap in agricultural technological advance compared with the United States. Those who have been heavily involved in the production of eggs, poultry meat, dairying, turkey production, cash crops and vegetables simply cannot agree. The degree of continuous technological exchange between the United States and Canada as related to the above segments of the agricultural industry has been great indeed. It has been a two-way street beneficial to farmers in both nations.

It is true that financial resources available for research and development are limited in Canada and this permits our American friends to make more rapid progress. However—and this is my point—we have found no evidence of any attempts to stifle technological exchange. The limiting factors, Mr. Speaker, are population disproportion, disturbing to the Canadian domestic market, plus the variables of volume of production. Technological advances cannot create markets. Conversely, Mr. Speaker, they can aggravate costly surpluses. My constituents have already taken the necessary steps to operate their segments as economic units, acting as procurement commissions to secondary industries. This highly successful approach to marketing has been in operation for many years and operates without benefit of governmental or civil service interference other than enabling legislation. Their theory is: "Production on a business basis to amply serve available markets with lower cost product controlled by area competition, subject only to necessary governmental ground rules".

My constituents were delighted to learn of the proposed federal marketing legislation announced by the Minister of Agriculture (Mr. Olson). Our people are looking forward to providing assistance through consultation and planning.

At this date, Mr. Speaker, a serious problem exists within the sphere of turkey production throughout all of Canada. The threat of imports of live and eviscerated turkeys from the United States at laid-down prices which are less than the Canadian cost of production is severely damaging our turkey industry. A close study of the circumstances responsible for this problem indicates that the very future of the Canadian turkey industry is in jeopardy.

The existing inequitable competition created by vertical integration in the United States bears no relation to technological advances. Volume of production and consumer population of 20 to 1, which establishes overall cost quotients, constitute an insurmountable barrier under existing tariff schedules. My constituents are pleased to know the Department of Agriculture now has this intolerable situation under study as a matter of urgency. I am advised by my constituents that the farmers in my area are unanimously agreed that government subsidies should only be established as a last resort.

The Fraser Valley, and especially my constituency of Fraser Valley East, has been threatened with flooding by the mighty Fraser river on a regular basis. Floods which have occurred have been devastating. The recently signed agreement between the government of Canada and the government of the province of British Columbia is indeed a welcome respite. Our constituents are looking forward to phase two as related to water level control in the upper areas and reiterate their request that progress be initiated as soon as economically possible.

• (3:50 p.m.)

I am pleased to report that it is our privilege in Fraser Valley East to have a goodly number of Indian reservations within the area. It has been my privilege to meet with many of the chiefs of those bands and to become acquainted with their earnest desire to become involved officially in participation

in the planning of the future of Indian communities in Canada. We are proud to be acquainted with Chief William J. Mussell of the Skwah band, a graduate of the University of British Columbia and a leader of community life in Abbotsford, British Columbia. One does not remain long in the company of our Indian friends, when they are in session at their regular meetings, without being convinced that any delay in the rewriting of the Indian Act would indeed be a travesty of justice.

Few areas in Canada south of the Northwest Territories utilize modern aviation to span the inaccessible approaches to remote sections more than the people of British Columbia. Even those areas now served by highways lean heavily on all types of aviation to reduce travel mileage and conserve time. My constituency alone boasts of seven licensed airports. The popularity of aviation is such that one airport, Abbotsford, now hosts the largest air show on the North American continent. A show which started as an air circus many years ago has progressed to where it now serves as the acknowledged market place and air exposition of international aviation. No less than 340,000 visitors attended the three-day show in August, 1968. Among them were many from the United Kingdom, France, Italy, Portugal, South Africa, and the United States. It is my pleasure, Mr. Speaker, to issue an invitation today to all those present within the House of Commons chamber to visit the show in 1969. It will be held in August.

My constituents place great faith in the future of aviation, especially at the general aviation or private flying level. Today's vast Canadian air transport system owes its favourable position to the pioneers who fought with unparalleled tenacity to prove it could be done. The Department of Transport must be highly praised for insistence in the belief that at some point in the past flying was here to stay. It is true that the development of huge aircraft now commanding preference for world travel is phenomenal. However, facts which are sometimes ignored indicate that general aviation and private flying have also advanced at an accelerated rate. It is the earnest hope of those who still pioneer the regional routes and fly privately that apathy relating to private flying will not develop in government to the point where Canadian aviation will be measured by the requirements of the large air transport companies. There is a challenge now for Canadians to insist that technological advances necessary in the field of air navigation and airports keep step with other nations of the world.

I would be remiss, Mr. Speaker, if I failed, even at this date, to mention the impact that Expo '67 has had in stimulating the Canadian tourist trade. Many exciting and rewarding experiences await those who travel the length and breadth of our land. More Canadians than ever are learning about Canada. I know of no better method of promoting Canadian unity than for easterners to travel west and for westerners to travel east. Many new members of the house, including myself, are now determined to learn the other official language, not as a requirement, Mr. Speaker, but as a privilege. It will be my pleasure to endeavour to promote the tourist exchange concept in my area and to extend a sincere invitation to easterners to come on out west and get to know all of your vast, firmly united nation.

Despite our affluent society we confess that there are areas requiring special development, either to initiate progress or replace industry which is being abandoned in the interest of centralization or integration. It is our hope that guidelines to include all unfortunate sections of Canada will emerge from studies of all depressed areas.

The immense challenge involved in establishing a truly just society will require the united efforts of all Canadians, for a just society cannot be established by laws alone. The election demonstrated that Canadians have, with good reason, placed their confidence in our brilliant chief executive officer, the Prime Minister of Canada (Mr. Trudeau). His steadfast determination to involve all Canadians in the task of moulding Canada into an even more united and purposeful nation is inspiring this great land as never before.

I am proud to be a member of this parliament. I look forward to serving and working with all the members of the House of Commons. I look forward to participating in the decisions of Canada's twenty eighth parliament which I am sure will be one of the most productive in Canada's history.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, first I wish to extend my congratulations to you on being appointed Speaker. I am sure that you and the other officers who have been appointed will serve this house in a way we can all be proud of.

Before beginning my general remarks may I say that I was disappointed with several

aspects of the throne speech. I wish to mention four or five matters that are pertinent at this time to my constituency. As many hon. members probably know, one of the world's largest potash deposits is to be found near Easterhazy in the southeast part of the riding I represent. It was recently announced by I.M.C., the international mineral people, that they are planning to truck the potash to a point across the United States border for shipment on United States trains to Chicago. If that happens there will be serious economic repercussions to the city of Melville, which is a potash transportation centre at this time. If the transportation facilities are not to be used it will mean that many families in the area will be without jobs. I just wish to bring that to the attention of the house and I hope that it will be possible to avoid bringing about this economic setback to the community in Melville.

I also wish to express my concern about the cancellation of the winter works program, since it affects the cities and towns in my constituency. The cancellation will bring hardship not only for the towns themselves but also for many families. I am sure that as a result unemployment this winter will increase, and I wish to second the remarks of members of the opposition and on the government side who have spoken about this matter.

I also wish to talk briefly about the problems of the Indian Métis people. I have grown up with Indian people. I was raised on a farm which was near a reservation. There are about six Indian reservations in the constituency of Yorkton-Melville, and I would like to congratulate the hon. member who seconded the address in reply for his discussion of Indian problems. It is about time the Indian people had equality with the rest of society. It is about time they were given the right to make more of the decisions affecting their own lives.

• (4:00 p.m.)

The most important issue in the constituency of Yorkton-Melville is, of course, agriculture. First of all I want to say I concur 100 per cent with what was said by the hon. member for Saskatoon-Biggar (Mr. Gleave) in this house a couple of days ago. I think he quite adequately described the pressures facing Saskatchewan farmers today. He talked about the cost-price squeeze and its effect on the farming industry. The time has come when the government must act to alleviate the farmers' problems. We must introduce a vigorous campaign to sell wheat internationally. We must do something to raise the price of wheat. I suggest that the farmer receive $2.12 a bushel for all the wheat he sells abroad, and an extra $1 per bushel for wheat used domestically, up to a level of 1,000 bushels per farmer.

Something must be done about the skyrocketing increase in the price of farm machinery. Here I would suggest we begin by establishing a prices review board to investigate the cost of farm machinery. We must extend farm credit and make interest free loans available to young farmers wishing to establish themselves in the industry. Agriculture is the No. 1 industry in the province of Saskatchewan, and indeed is one of the basic industries in all of Canada. It is about time we started to realize this and gave farmers a better deal.

I would now like to introduce something new into the throne speech debate Mr. Speaker. I could go on to talk about many of the problems in my constituency but that is something I will be doing throughout the session. Now, however, I would like to introduce a new topic because it is very important to the government of Canada although it is something politicians, regardless of their political affiliations, do not talk about.

I do this for basically two reasons. First, I do not want to duplicate some of the things members of my party have already said and, second, more importantly it is an issue of very grave concern to this house and the country. I want to talk about young people and how they relate to this chamber and to the political process in Canada and throughout much of the world.

For young people democracy is on trial right here and now. We have heard a lot about alienation, about frustration, student unrest, riots, hippies, yippies, beatniks and similar groups within the youth community. All of these phenomena are important to this house for one reason. That reason is that the verdict on the democratic system by many of these young people has already been made and that verdict is guilty—guilty of irrelevance, guilty of lack of purpose, guilty of lack of meaning for their lives but, most important of all, the political system has been found guilty for its failure to produce results here and now.

I have mentioned alienation. What is alienation? It is the separation of the individual from his activity. Political alienation is the separation of the individual from

what is going on right here in this house. What do I mean by this and how does one recognize this kind of alienation in society?

You can recognize this alienation in many different ways. The first way of recognizing it is by the sheer indifference that many have to the political process. On the one hand we have the drop-outs. I have mentioned the hippies, yippies, beatniks and the like, but on the other hand you have indifference on the part of what one could probably call the average kid, the average student who could not care less about the political process. This is the person who is a product of society's major institutions, the person who year in and year out has had the fact pounded into him that he must submit to authority without question. He has been taught to be indifferent, to be apathetic, to conform, and thus he does not really care what happens in the government of Canada or in the whole political process.

You also recognize alienation in a more articulated manner from many of the young people who have attempted to get involved in the decision-making process and have failed. You find groups of these people all over the world. To mention just a few there are the civil rights movement in the United States, the Viet Nam action committees in Canada, the United States and Europe, and we have student activists around the world.

This kind of activity is now cropping up in high schools. We have had recent instances of it in Montreal and in the province of Newfoundland.

This despair is found in student riots, for example, in France and Czechoslovakia. We can see it in many wildcat strikes breaking out throughout the nation. It is a frustration with the slow process of normal procedures of government.

What does all this mean to those of us who are here in parliament? I think it first means that young people are no longer interested in proving themselves to the political process as it exists. What it does mean is that the political process has to prove itself to them. It means that a government, a political party, and the leaders of political parties have to prove themselves to young people. And if they do not, not only will parliament be powerless in regard to the corporate interests of the country but it will also find itself powerless in terms of its relationship to an ever-increasing portion of society. This is the youth community and let me remind you, Mr. Speaker, that about half Canada's population, or more, is well under the age of 30.

[Mr. Nystrom.]

This frustration is a real factor that we have to contend with in society. It appears not only in the youth community but in the slums and ghettos. It is becoming evident in the Métis groups and among the native population, and also among many of the small farmers in western Canada. I could mention various campuses and youth associations, but I will relate just one example which will demonstrate the point I am talking about. This is but one of the many examples where action was taken outside the political structure. Action was taken outside the political process to speed things up and make them more relevant, and it produced results.

The incident I am referring to took place at Simon Fraser University in British Columbia. The faculty and students of the university used to eat together in one huge cafeteria. Then one day some of the senior faculty members decided they wanted a separate eating place for themselves and so they constructed a wall across the cafeteria dividing it in two. The vast majority of the student body did not like this. They objected to the wall being built. They went through the normal political structure on the campus to have the wall removed, but their request got tied up in committee after committee until one night a number of faculty members and a group of students got together and tore the wall down, and the wall stayed down. This is an example of where the normal channels failed and people went outside them to solve the problem.

In many ways this parliament is similar to some of the senior faculty of the university I have just mentioned. This is an institution which is not relevant to many Canadian people. If we do not open our eyes soon many more walls may be torn down by young people, discontented farmers, minority groups and the poor. Parliament and the university are similar institutions in our contemporary society. They are both primarily middle and upper class orientated.

The difference between the two is that there is a growing awareness within the university community. It is becoming aware that education is a right, not a privilege. Members of that community are starting to talk about universal accessibility to education at all levels. They are starting to talk about abolition of student fees, about providing living allowances to students, about expanding university educational facilities and making a university education more relevant to today's society.

Meanwhile, on the other hand parliament, the government and the speech from the throne have all failed even to recognize the

underprivileged and the powerless segments within our society such as the poor, the Indian and the marginal farmer, to mention just a few. If we do not open our eyes to this reality, Mr. Speaker, then many people within the near future will be left with no alternative but to start tearing down some walls of their own. These people are absolutely fed up with the verbal dribble, the fancy clichés and democratic rhetoric stemming from this chamber and that once again is found in the speech from the throne. It is becoming more and more apparent that the government cannot see the forest because of the trees.

I believe it was Rousseau who said, "Since inqualities exist within society it is the duty of legislatures to remove those inequalities." So far parliament is not playing an active role in supporting equality in Canada. If we do not affirm equality, dignity, and the right of people to act meaningfully in their own community, if we do not take some of the practical steps that have been suggested toward these ends, if young people do not get universal accessibility to education, if farmers do not get a two-price system for wheat, if the taxation system is not reformed, and if we do not do something about the ludicrous cost of housing and rocketing increases in rents then parliament will naturally become more irrelevant to people in Canada.

• (4:10 p.m.)

If the impersonality and power of corporate bureaucracy are not torn down to allow people to participate, then parliament will fade farther into the background of peoples' lives, and they will naturally seek alternative paths of social change. Idealistically, government should be an institution which people can collectively work through to solve the problems which they cannot solve as individuals. As the age of automation increases the sphere of meaningful individual action increasingly contracts.

The need for open participatory institutions in society is becoming more and more a necessity. The basic institution should be government, the people, in other words; but it will never be so long as we are committed to a philosophy of Liberalism which is a philosophy of limited government. The basic philosophy of Liberalism prevents it from attacking private centres of power in society that lie at the root of our country's problems. Instead of control of irresponsible private power the government is deferential toward it.

We can see this failure in every segment of our society. I have mentioned a number of aspects. We see it in the taxation system, in the failure to plan the economy and in the failure in any way to grapple with the foreign ownership problem of our economy. Young people and other people as well are starting to ask many very pertinent questions. They are asking where the real roots of power lie in our country. They are starting to ask why the Liberal party, the government, does not release an account of their contributors in the last election campaign. Why will they not do this? It is relatively simple; they will not because then the people would know who have vested interests in the government of Canada. This is one of the major binds on democracy that can be placed clearly on the doorstep of the people sitting across the aisle.

Later I shall be introducing a bill to lower the voting age in Canada from 21 to 18. This is just one important way to open up society for participation. We all know that in the election campaign the Prime Minister invited young people to participate. He said, "Come, and we will participate together in building a greater Canada for all". But then he denied them the basic right of participation, the right to vote. The more one watches the government the more one realizes it is an old man type of government with an old philosophy and reactionary ideas.

We must face up to many problems in our changing world. The government must not act as a deterrent to change. It should be in the forefront of change leading the way. We must eradicate things such as poverty and pollution. We must reform the tax system and we must alleviate the housing crisis. In fact we must set up new objectives and priorities for society. If the government does not soon face up to some of these facts, then the youth image of the Liberal party will become mouldy and musty with age.

I strongly believe that if we open our eyes we can make some of these things more relevant. I have a lot of faith in the democratic system of government. All we have to do is make it more pertinent, more modern and get the people participating.

I should like to conclude my first speech in this chamber by quoting a line often used by the late Senator Robert F. Kennedy just before his untimely assassination a few months ago. He said, "Some men see things as they are and say why; I dream things that never were and say why not."

[*Translation*]

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I would like at the beginning of my remarks to pay the customary respects to the Speaker, and to you also for your recent appointment as Deputy Chairman of the committees of the house. I am convinced that if you follow the example of the Speaker, you will discharge your duties perfectly.

I would like also to congratulate the mover and seconder of the address in reply to the speech from the Throne (Messrs. Corbin and Marchand). Both made interesting speeches and deserve our congratulations.

I also want, Mr. Speaker, to welcome to the house one of my university colleagues, the hon. member for Sherbrooke (Mr. Gervais) who won his seat in the last election. We have always been a very good friends and, although we have had our political differences, our friendship has never been affected by them. I am therefore very happy to see him in this house.

Mr. Speaker, after a very eventful convention, the Liberal party elected a leader. Knowing the Liberal party as we do, we know that its members took advantage of the circumstances to place less accent on real leadership qualities but more on the candidate's gift for acting. In fact, during the election campaign, our Prime Minister (Mr. Trudeau) gave good account of himself as such by giving kisses unstintingly and keeping a constant smile. While refusing to deal with the main economic problems facing our country, he nevertheless succeeded in getting great majority.

And as the Conservatives are always magnanimous people, may I be allowed, Mr. Speaker, to congratulate him on the victory he won in the last election.

We were pleased, Mr. Speaker, to see the Liberal party at long last get an absolute majority in the House of Commons. How often has the official opposition not been accused of slowing down the business of the house, of systematic obstruction, of filibuster. Especially the last Liberal government accused us of so doing, to camouflage its lack of competence in introducing appropriate legislation in the House of Commons.

• (4:20 p.m.)

This government having been elected with a majority, we hope it will take over the leadership of the house and the honourable members across the floor may rest assured that we, of the Conservative party, are going to maintain our co-operation with the government in power in order to try and bring about for all Canadians legislation that will be beneficial to our nation.

Mr. Speaker, the Prime Minister had intimated after the election that his government would introduce legislation and a speech from the Throne, both of an extraordinary nature. He went so far as to say that the Conservatives would be amazed. In general, Canadians were expecting that the new Prime Minister and his cabinet were to present some extraordinary legislation which would be spectacular, different, imaginative, that would create an impact on the imagination of all Canadians.

Some political friends of our colleagues opposite who had come to Ottawa with the resolution to applaud the Speech from the Throne went back home extremely disappointed because they found out, as we did, that the Speech from the Throne presented by the government contained nothing but left-overs from the previous Pearson administration, heated up again in a new frying pan by the present Prime Minister.

For this reason, we cannot evidently congratulate the government on its Speech from the Throne, because we feel that it suffers from a lack of vitality and dynamism which the country needs at present to resolve the problems that are facing it.

Evidently, we had thought that this government would be a "new look" government with a new vision. A youthful Prime Minister would obviously stand out the moment the session began, but we have noticed that expressions such as were used during the election campaign have been incorporated in the Speech from the Throne and they were not defined.

During the election campaign, smiling his famous smile, the Prime Minister talked of the just society. He never said exactly what he meant by it. He never adapted the concepts of a just society to the political, economic and social problems facing Canada at the present time.

There is nothing in the Speech from the Throne to illustrate the concept of the just society of which the Prime Minister and his team spoke during the election campaign. In our opinion, therefore, this is again a case of the Liberal party formulating grandiose principles, as it alone does so well, in order to gain votes during an election campaign.

In my opinion, Mr. Speaker, a government which calls itself modern in 1968 must legislate in order of priority. We have often said so in this house. Even though priorities were mentioned in the Speech from the Throne, the Prime Minister has not told us what priorities he has established. We must examine not only the long-term priorities but also short-term priorities, because indeed we must not be blind. We are up against an alarming unemployment problem, for statistics reveal that 400,000 people without work or looking for work at this time.

We also have a housing problem. In fact, we know that a third of the population in the larger urban centres is still living in slums and that the government has not found a practical solution to try to help those people.

We know also that the cost of living is still extremely high and that women with children have a terribly hard time to make ends meet.

In addition, agriculture is not in a very prosperous state, and when I hear my colleagues talk about the problems of agriculture in the west, I would like them to come to Quebec to see the alarming conditions which prevail in agriculture there.

Although 10,000 farmers from eastern Canada, Quebec and Ontario came last year to beg the Minister of Agriculture to give them better prices for their dairy products, that problem still remains. The other problems submitted by the U.C.F. to the previous government were left unsolved and the present government must have forgotten them since there is not a word about them in the Speech from the Throne.

Mr. Speaker, we also know that our economic growth is at a standstill. Our productivity needs to be boosted to make it more profitable and thus give a higher standard of living to all Canadians.

The economy of a country increases through the development of its natural resources, hence the necessity for a government that believes in priorities to advocate and introduce immediately in the house legislation for the establishment of short and long term programs so that our natural resources may be developed in a national way.

Another priority of the government is to introduce legislation and take decisions to increase the number of employment opportunities in our country. We all know that the government also intends to give priority to constitutional reform.

Mr. Speaker, that is the list of priorities which we would have liked to see in the Speech from the Throne.

I should like to come back for a moment to the question of unemployment. We were exceedingly surprised when the present government, which calls itself the champion of co-operative federalism, suddenly and without warning the provinces, cancelled its winter works program.

The right hon. Prime Minister answered me in the house that the provinces knew that the government would cancel the winter works program one day, but he did not have the tact to warn the provinces in order that some alternative formula might be found to help the unemployed who will find it extremely difficult to find work during the winter. Similarly, the government should have notified the provinces so that they might in turn advise the municipalities that had prepared projects which would have been carried out during the winter, as they used to do previously.

Obviously, this may not be the ideal formula but, Mr. Speaker, putting a sudden stop to this program deals our workers a heavy blow. Indeed, I am convinced that if the Liberal candidates had told our people during the election campaign that the winter works program would be cancelled, the Liberal party would not have won the same vote percentage in the June election.

All this to say, Mr. Speaker, that steps like these are only announced after the election. What are we going to do, Mr. Speaker, to replace the winter works program? The right honourable Prime Minister was asked if he planned any substitute and he told us there was a retraining program. We are in favour of retraining, but that does not give work, in the short run, to our people. Manpower retraining is a good thing, and with additional learning people are better prepared to face the life ahead. However, the present manpower program did not, in my estimation, produce all the expected results. I observed that in one municipality within my constituency, sixty-year old people were being retrained and made to attend sixth and seventh grades; it made me wonder whether this program truly pursues the intended objectives.

• (4:30 p.m.)

Mr. Isabelle: Better late than never.

Mr. Asselin: Did my respected friend from Hull say something?

Mr. Isabelle: Better late than never.

Mr. Asselin: But our people must obtain employment right away. My respected friend should try and convince the government, because next winter the unemployed in his constituency will ask him why the government has dropped so suddenly its winter works policy.

Some manpower retraining has indeed taken place. In your region, Mr. Speaker, some $250,000,000 are being spent, I believe, to retrain workers, revamp the social structures and renew the economic framework, so that these people might live. However, if one sticks to retraining alone and neglects the economic and industrial evolution, how on earth shall we be able to find jobs for all these retrained people? Retrain them by all means; well and good. But at the same time the government will have to consider creating new industries and new jobs so that those that have been retrained will be able to obtain some employment. Evidently, Mr. Speaker, the war against poverty is mentioned in the Speech from the Throne. Almost every speaker who took part in the debate mentioned it, but "war against poverty" is not a new term. Since 1963, we have heard that the government would introduce legislation to fight against poverty, but we are still waiting for it. The best way to fight poverty is indicated in the 5th report of the Economic Council of Canada. On page 131 appears a statement on the basic principles how to succeed in fighting efficiently against poverty and I quote:

> The maintenance of high employment and strong and stable economic growth is crucial. No policies are more effective in helping to move families and individuals out of poverty than the combination of demand and supply policies required to sustain new job creation and the increasingly efficient use of manpower and other productive resources. Without success on this front, other anti-poverty policies are unlikely to be of much avail.

This is what I said earlier, Mr. Speaker. It is absolutely necessary when considering the retraining of our people, to find ways of helping them to get jobs so that once retrained, they may become useful members of the community instead of being dependent on it. Now, when reference is made to "war against poverty", mention should also be made to war against social and regional inequalities, as mentioned by the Prime Minister during his campaign and in the Speech from the Throne. But they must not only be words or slogans. If extended studies on local problems are undertaken, as it has been done in your area, and if it takes ten years to obtain practical results, our people will have the time to die from hunger.

In my opinion, people who live with these problems understand them more fully. That is why, in dealing with questions of regional disparity, with underdeveloped areas such as yours, Mr. Speaker, mine and many others in eastern Quebec and elsewhere in Canada, a formula should be adopted which would make use of the economic development boards in each area and of the studies made by these boards, and the people should be asked what priorities the government should establish in order to help them to come out of their economic stagnation.

Mr. Speaker, if the government wants to legislate according to priorities, I think it will be necessary to amend the Canadian constitution. This is only a digression, for I do not intend to discuss the constitution fully today. Everyone knows that the whole Canadian people want amendments made to the constitution. However, it will be difficult to fight poverty properly if we do not first eliminate the overlapping of federal and provincial social security measures. At the present time, this involves a shameful waste of money, and we are witnessing the beginning of a fierce competition between the federal government and the provinces to see which of the two levels of government is best able to legislate in the field of social security. This has resulted in an overlapping and a duplication of federally and provincially supported social security assistance programs. In order to correct this situation, in my opinion, we must first review and amend the constitution so as to determine the precise extent of federal and provincial jurisdiction in the field of social security. As I said, money is being shamefully wasted at this time by the federal and provincial governments, because of overlapping jurisdictions when they want to compete in the field of social legislation.

So, a priority should be established and, in this connection, I think that the Prime Minister should follow the guidelines set forth in

the report of the Economic Council of Canada. Indeed, page 139 of this report says, and I quote:

> In thus describing the kind of longer-term appraisal which we feel is required at this stage in order to develop more effective anti-poverty policies in Canada, it is important to keep clearly in mind the Canadian constitution and the fact that social policy is a field of concurrent jurisdiction in which all threee levels of government are active on a large scale.
>
> Nor have we referred to the important discussions and decisions regarding social policy which lie ahead of the federal and provincial governments between now and the expiration in 1970—
>
> Important changes in the relative roles of the different levels of government in the field of social policy appear to be in prospect.

And it adds:

> This is where a start should be made to amend the Canadian constitution in order to define the jurisdictions of the federal and provincial governments.

When the Prime Minister tells us that there are priorities in respect to the status of our languages, we agree, but the top priority should be the constitution. Constitutional changes would serve to remove concurrent jurisdictions between the federal and provincial governments.

Mr. Speaker, I should also like to say a word about Canada's foreign policy.

Our Prime Minister has promised us that the foreign policy of his government would not show diffidence, since it would bear the stamp of independence and would, of course, be implemented in the shortest time possible.

• (4:40 p.m.)

This morning and during the course of this debate, several hon. members have referred to the human tragedy which is taking place in Nigeria. I shall not bring the matter up again but I am convinced—at least I hope so—that the references made in this house have shown the Secretary of State for External Affairs (Mr. Sharp) the importance of Canada using its influence and its prestige with the government of Nigeria in order to put an end to that genocide.

I am convinced that if the government disregards the susceptibilities of some nations, it has enough prestige, as I said earlier, to appeal to Nigeria in order to put an end to the slaughter and the starvation prevailing in that country.

I cannot congratulate the right hon. Prime Minister for his foreign policy with regard to France. Two years ago, the Liberal government—first the right hon. Mr. Pearson and then the former Minister of Justice, the present Prime Minister—launched a campaign against France. I must say that if that campaign continues, in view of the present course of statements, we are simply heading toward a break in diplomatic relations between France and Canada. Although the Prime Minister has declared in the house that he does not want any break, if he does not cease his present outright statements against the Quay d'Orsay, such as the one reported by today's *Le Devoir*, where he again accuses the French government of trying to demolish Canadian unity, he is heading for such an outcome. I thought that the Prime Minister as well as the Secretary of State for External Affairs had a well developed sense of diplomacy so that these quarrels and squabbles between the present government and the French government could be settled through diplomatic channels.

It is not my duty here to defend the French viewpoint, but I may nonetheless tell the right honourable Prime Minister of my country that one third of the French-Canadian people, whether they live in Quebec or outside that province, entertain cultural ties and are very closely related to France. If, unfortunately, this government should decide some day for some reason to break diplomatic relations with France, that would be the biggest breach ever perpetrated against this Canadian unity that everyone wants to achieve.

At the beginning of the session, the right honourable Prime Minister made a solemn declaration concerning the whereabouts in Canada of one Rossillon who apparently is an official of the French government. From what we hear from the French Canadians living in Manitoba, this gentleman was simply paying a visit there and was obviously inquiring about the French Canadians in Manitoba. In the meantime, the Prime Minister was telling a press conference about that visit. This action is not, in my opinion, bound to strenghten Canadian unity. I wonder if the Prime Minister has chosen this method in order to discourage the premier of Quebec from undertaking his trip to France or if he is simply aiming at a continuation of the escalation in unfriendly words. If the Prime Minister permits this kind of relations which have

been going on for some time between France and Canada, I say that he is surely doing national unity a disservice on this account. I wish with all my heart that these discussions with France or other sovereign states were taking place through diplomacy on an international level.

Why air in public the errors a French citizen may have made on a visit to Canada? Why accuse this man of being a secret agent, an agitator in the pay of the French government? I am convinced that the right honourable Prime Minister overshot the mark when he applied those harsh words to a civil servant, a member of the administration of the French government. As a French Canadian living in Quebec, and on behalf of the French Canadians who live in the other provinces, I hope that the right honourable Prime Minister of our country will soon meet the President of France so that the two can sit together and discuss their grievances once and for all, and so Canadian unity might be preserved. If one wished to joke about it, one could ask the Prime Minister of Canada to accompany the premier of Quebec to Paris. The two could then perhaps, share together the warmth, the hospitality of the "Petit Trianon".

Mr. Speaker, for the sake of Canadian unity, I repeat, that once and for all an end must be put to the dissensions between those two sovereign states, those two countries we French Canadians love so well, France and Canada.

The right honourable Prime Minister told us that he was happy about the help France gives the French Canadians in developing their culture, their tongue, and safeguarding their traditions. I am convinced that if the President of France were to meet the right honourable Prime Minister, he would perhaps understand our situation on the national level, and the two might come to an agreement for the better interest of all Canadians.

Mr. Speaker, I should also like to say before bringing my remarks to an end, that it is with great regret that we saw our friends across the way alter, during the election campaign, certain facts concerning the constitutional position of some members of our party. I mean, for instance, the legislation which the government is now introducing on the constitution, on the status of the official languages, on the recognition of the French fact in Canada, on which our party, as early as during its convention in Toronto, had made the first move, and the basic principles of which it had recognized.

During the election campaign, our friends opposite tried to mislead the Canadians into believing that the Conservative party wanted to divide the country in two, that the Conservative party favoured two countries. Mr. Speaker, we have never intended that, we have never meant to say that, nor have we ever said that either during or before the election campaign.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member at such a crucial moment of his speech, but the time allowed to him under the rules has now expired. Unless he is given the unanimous consent of the house, the hon. member will not be able to continue his remarks.

Some hon. Members: Agreed.

The Acting Speaker (Mr. Béchard): Does the house agree to grant permission to the hon. member to continue his remarks?

Some hon. Members: Yes, agreed.

The Acting Speaker (Mr. Béchard): Agreed.

Mr. Asselin: I wish to thank my colleagues for giving me this opportunity to continue my remarks, Mr. Speaker. I shall try to be brief; besides, I think I shall be through in a few minutes.

As I was saying, the constitutional principles set out by the Liberal party and now brought forward in the Speech from the Throne had already been recognized by us during our convention in Toronto.

The right hon. Prime Minister speaks of the constitutional equality of languages. We too referred to it in a resolution, in Toronto. Now, Mr. Speaker, for the sake of the record and to make some Liberal members understand that we are not against national unity, that we are not going to tear apart Canada on constitutional matters, I repeat that we never said that. We never said, when we spoke of two nations, "The two founding people", that this meant two Canadas. We only meant one Canada made up of two large majorities plus other ethnic groups, which of course, would be minorities.

This is the reason why, when we presented our resolution in Toronto, we formulated great principles which, I think, are now being taken over by the Prime Minister of Canada.

• (4:50 p.m.)

We have said that Canada is and must remain a federal state and that Canada is made up of the two founding nations endowed with historical rights, to which many people coming from a number of countries have joined themselves. We said that the constitution should be drafted so as to allow and promote full and harmonious coexistence, as well as advancement and equality for all Canadians. We have repeated and we even included it in a document drafted and adopted at the Toronto convention that the constitution is a Canadian document which could not be changed anywhere else. Therefore, I fully endorse my leader when he says to the hon. Prime Minister that the very first constitutional step this government should take is to repatriate our constitution so as to allow us to amend it ourselves.

I think that is the first priority from the point of view of the constitution and in that respect I fully agree with the leader of my party. We said also that, in our opinion, it was necessary to create a constitutional tribunal with the power to settle the constitutional problems which could arise between the provinces or between a province and the federal government, or still the problems which the Supreme Court of Canada could refer to it. That is one of the matters that were brought up during the federal-provincial conference on the constitution held here last February. We advocated also in that resolution that the constitutional equality of the French and English languages should be recognized to guarantee French Canadians throughout the country the right to get an education in their own language wherever possible, the use of the French language in the legislatures and before the courts, just as the English-speaking residents of Quebec enjoy those rights now. The status of the official languages is precisely what the Prime Minister wants to obtain today. It would mean that, at the constitutional level, we disagree. But it is precisely the constitutional policy, that kind of amendment to the constitution that the present Prime Minister wants to introduce.

Therefore, Mr. Speaker, I think that we should agree on the need to amend the constitution. All Canadians are in favour of that. We must amend it so that all the groups living in this country can, under that constitution, enjoy equal rights so that Canadians of French, English and other origins can live in peace. Canadians must be able to live harmoniously, respectful of the rights of others, so that all together we may pool our efforts to build that great country we all love, Canada.

Mr. Henri Latulippe (Compton): Mr. Speaker, I am very happy to have this opportunity to speak in this house. Even though I am almost an old-timer since this is my fourth term here, I still have many things to say, because the past efforts did not yield great results.

I take this opportunity, Mr. Speaker, to congratulate you on your re-election as Speaker. I offer my congratulations also to the mover and seconder of the address in reply to the Speech from the Throne (Messrs. Corbin and Marchand).

I will merely speak of concrete things in this speech, Mr. Speaker. Everyone speaks of a just society and of guaranteed incomes, but nobody ever defined these terms.

Mr. Speaker, I will now attempt to define these main terms. I would like to say to the people and to members of this house what are exactly the problems of our economy, where reforms should be made and where distributive economy should be applied, that is to whom should the benefits—or the products, if you prefer—of our economy go.

First of all, the human being should be protected if every citizen is to have full benefit of a living, active and progressive economy. All these conditions must be fulfilled if priority is to be given to the individual, who has been neglected in the past. Priority is given to finance, to capital, but the human capital is forgotten. Everything is done, nothing is neglected for the money capital, but the most noble, the most important one, the human capital, is neglected. This is what I intend to deal with and demonstrate in my statement.

All Canadians want a united Canada, but they also want a just society. Like everyone, we have been advocating a just society and a united Canada for a long time. That is nothing new.

The people heard vague words and believed that they were hearing something new. That is one of the reasons why they once again elected the great Liberal party. By the way, I should like to say right away, Mr. Speaker, that we intend to co-operate fully with the party in power and with all who present legislation intended to serve, protect and help the people and allow them to live decently. We will support all good legislation.

However, we will stand against all measures which do not protect the individual or which protect only capital. Naturally, we will oppose all tax increases, because they affect the individual unfavourably and because we are overtaxed already. We will support all good measures which are beneficial to the individual and which give him priority.

It is apparently agreed that we all want to build a united Canada in a just society which undertakes to eliminate provincial and regional inequalities. It is a worthy effort, a good attempt, a noble ambition, but a shared hope. There are inequalities not only in constitutions, but between the provinces, the different public organizations and the various regions.

First, there are inequalities affecting the family. Every individual must be allowed to live decently in his country. Canada is not only made up of more or less prosperous provinces and regions. A united Canada is made up also, and above all, of families enjoying more or less prosperity and of human beings who are more or less prosperous.

• (5:00 p.m.)

There are persons, families, regions, provinces, institutions, municipalities that are more or less prosperous in a united Canada, within a just society. That is a noble pursuit that does not omit any aspect of the just society, of a united Canada. Canada is made up mainly of these 20,700,000 human beings who are Canadian citizens, made of flesh and bones, each with their own mind who are members of some five million dwellings or families in Canada.

Therefore, it is first on a personal and family basis as well as on a basis of the essential needs of persons and families that an immediate foundation of a just society must be realized and which will result in a united Canada this very year.

[Mr. Latulippe.]

Assuredly, the large administrations on the national, provincial, regional, municipal, social and even on the international and world levels are important and deserve our continued attention.

Undoubtedly, all the great institutions were set up with the commendable idea of promoting progress, productivity and growth of economic activity in the interest of the whole community.

Nonetheless, Mr. Speaker, it should be realized, at last, that this is expected by the whole population, that is, our 20,700,000 Canadian citizens living in flesh, bone and spirit, and not only the 7,700,000 adult and productive citizens who are reasonably rewarded for their work or their capital.

Nevertheless, one should understand, in the end, that the whole population includes 13 million dependants, without work nor capital, without personal income, but entitled unquestionably to live among all of us, in a united Canada, according to the 1968 standard of living.

But for all that, it should be realized in the end, once and for all, that the right to live which every citizen without revenue is entitled to must be appraised and determined by a certain amount of money, the same way as a salary is set for any work, or the same way as interests are recognized by contract on any capital loaned or invested under conditions clearly determined between free parties.

So, if the 7,700,000 Canadian citizens contributing to national production receive a fair share proportional to their work or their capital, if, also those 13 million Canadian citizens without work or capital receive each month, in every home, a guaranteed minimum revenue, which constitutes their personal vital right, thus, and thus only, shall we have achieved a just society, a united Canada where every citizen will be happy and proud to live, respected and glorified, in the full view of the whole world filled with amazement.

Even though the right hon. Prime Minister did not make any promises during the last election, he said again and again that the objectives of his administration would be a just society and a united Canada. Those are happy words which were appreciated and which led the Liberal party to the victory. It is up to us now, Mr. Speaker, to convert those words into action, into deeds, into achievements.

Each citizen may have his own idea about a just society and a united Canada, but I think everybody would accept a conception whereby each Canadian citizen could share in the prosperity of Canada.

I feel the right hon. Prime Minister (Mr. Trudeau) in the just society and a united Canada envisaged should provide for what I have just pointed out.

It is not, Mr. Speaker, by begging, grumbling or advocating separatism. No one seeks to break away from a group where it gets a fair treatment. In this prosperous Canada, production reached $68 billion in 1968, that is about $3,300 per head or $16,500 per family of five, which is marvelous and satisfactory for the majority of Canadians. There is no reason for allowing such a magnificent production to be so badly distributed among the population of this country. Why, Mr. Speaker, is there so much suffering, so much poverty and insecurity amidst such abundance, so many riches, such a tremendous production? Let us at least work in such a way that the most unfortunate may reach a viable and convenient human condition. It is not poverty, Mr. Speaker, that must be driven away, not poverty against which we must wage war, as many members seem to believe, but injustice. It is fraud, frustration of the rights to live of each Canadian citizen. This must be eradicated.

Poverty in itself does not exist. But injustice exists. Inequities must be replaced by a little more justice. This is the point I want to make, Mr. Speaker. Chapter 44 of the *Revised Statutes of Canada,* 1960, well specifies that each Canadian citizen is entitled to life, liberty, security of his person and enjoyment of property whatever may be his race, his national origin, his colour, his religion or his sex.

We are only considering here the right to live of each Canadian citizen who is penniless and unemployed. We are considering the recommandations of the World Charter of Human Rights and of the Canadian Charter of Human Rights passed in 1960. We are only demanding that this right to live be recognized to each Canadian who is penniless or unemployed by allowing him to earn his living as we recognize his right to receive wages and the right to collect a rate of interest on invested capital. Therefore, if in Canada at the present time, our production worth $68 billion represents the work and the capital of 7,700,000 Canadian citizens who take part in the national production and who are paid according to the proportions of their participation, it must be recognized that the 13 million Canadian citizens, men, women, children, sick, unemployed, or old people who do not receive any income for their work or capital have an undeniable right to part of that production.

This is the reason I am fighting, through the sole use of my intellectual powers, to induce the 29 ministers of the Canadian government and the 263 representatives of the Canadian people to admit that they are legally bound by this right to life of everyone, especially that of the 13 millions dependant Canadian citizens, who have no work and no capital.

The right to live is the first of all the rights of every individual, from his birth to his last breath. This is what is or will be a just society. It is that vital personal right for 13 million Canadian citizens which I demand in a united Canada, a just society.

• (5:10 p.m.)

Mr. Speaker, we could take 4 per cent out of those 68 billion of production to pay for that essential program of guaranteed rights to every citizen.

Therefore Mr. Speaker, since I have the honour to rise again in this house, I should like to show positive work, open to the best promises, taking into account the positive elements which make up not only this parliament but also and especially the whole people of this wonderful country Canada.

I say again, Mr. Speaker, that under God, in this giant country, every Canadain should grow amidst prosperity.

Mr. Speaker, if the voters in the riding of Compton gave me once again a good majority over the candidates of the other parties, they have told me often that it is because I have talked many times in this house about a better distribution of income among all the citizens of Canada, about increasing family allowances and the other allowances, which would at least abolish misery if not poverty.

Therefore, I thank my constituents for understanding me and voting for me. I would now like the 263 members of parliament to understand clearly also the need, the urgency and even the opportunity we are given to achieve immediately a better distribution of

income, expenditures and profits among all the citizens of Canada, between management, labour and dependants or between people, families and companies.

That is the crux of of the problem, if it could finally be understood.

It is not a matter of political party, nor of a philosophic system. It is a matter of fraternity, humanity, balanced economy and progressive policy, through unity, justice and goodwill. It is not a matter of race, nationality, religion, language, social classes. It is a matter of dollars, it is the right to live, to have the bare necessities. It is the right of a guaranteed minimum income for all Canadian citizens, 20,700,000 of them, of which 7,700,000 have incomes gained through their capital or their work, and 13 million are dependent on a productive citizen or society in general.

Let us open our eyes to this metaphysical and mathematical reality, capital and work are the two pillars of production, but production is geared to consumption. Now, there are in Canada, in 1968, 7,700,000 productive citizens and 13 million dependants.

There are in this country 7,700,000 citizens, drawing income from their work and capital, and 13 million citizens without any income derived from work or capital, but who all have the right to live in Canada according to the 1968 standard of living in this country. This right to live is a right that must be assessed and paid, as well as the right to give a salary for one's work or the right to draw interest from capital.

In our economic system, we are doing the opposite of what is required. Instead of paying a minimum guaranteed income to the 13 million dependent citizens, we are increasing wages and capital interests, thereby raising still more the cost of living for all citizens, even for the 13 million dependent citizens without work or capital and hence without any income.

In the case of the citizens who are producing through their work and capital, incomes increase while in the case of the dependent citizens, the expenditures are going up. The 7,700,000 producing citizens are taking advantage of an unbalanced economy while the dependent citizens and their dependants have to put up with this same unbalanced economy.

Here, I am convinced of bringing a logical and practical solution that can be applied immediately in the present and regular mechanisms of our Canadian monetary, economical and political systems of free enterprise, whether they are orthodox or capitalist. Why is no attention ever given to this problem? Why must I always speak in this desert? Perhaps I may hope that this desert will at last become a blossoming garden, not only for labour and management, but for all those without work or money and for all the needy who want a just society and a united country.

However, this unity can only be based on individuals and not on groups, companies, regions, provinces, towns or villages.

Canada is 20,700,000 people, and that is the basis on which we must establish a guaranteed minimum income, either through work, or capital, or the vital right of people without work or capital.

Why can the members of this house and this parliament not accept this suggestion immediately? That is why I say to them: Dear colleagues, in every one of your ridings, you saw them during the election campaigns, you saw citizens who have money, citizens who have work, and other citizens who have neither work nor money, who are dependent and without income, because they are too young, too sick, too old, too unfortunate, in short, for all kinds of reasons; you have even seen mothers who stay home and have neither income nor salary for the work they do as mothers and housekeepers.

Have you thought of that? In every home in Canada, to each citizen without work or money, we could distribute a guaranteed income of $1 per day per child, of $2 per day per teenager, of $3 per adult and of $4 per older citizen of 60 and more; have you ever considered how this could solve all personal and family problems in the field of daily finance?

That would be the end of hardship, poverty and insecurity. There would still be good and human poverty, sickness, accidents, occasional misfortunes, curable bad administration, but we would be through with hardship, poverty, insecurity in the normal and wholesome families of our hard-working, honest population which is willing to do the utmost in community life.

And do you know what all that would cost? It would cost 14 per cent of the value of the national production. Do you know that a single program could replace every one of the 200 costly plans administered under social welfare, that are a disgrace because of the famous inquiries which ruin the dignity and the respect of the human being and the private life of individuals and families?

Moreover, do you know that by so doing, society, Canada, and we here in this house, would together have done nothing more than something just towards human beings? Because the right to life, to the vital minimum, the individual minimum is not an optional charity, but a real right, a binding right according to justice, based on nature, on natural resources, on the divine fatherhood and on the rights of universal humanity.

During the Speech from the Throne, I was pleased to hear our gracious governor general utter the last phrases:

May Divine Providence guide you in your deliberations.

Could he not have added on the same tone: "and submit you to the sweet rigours of his divine chastisement".

For, in truth, we deserve chastisement. We can no longer let everyone lack the necessities of life in the face of the categorical statements of the most serious representatives of our political economy, the experts of our Economic Council of Canada. It is not up to me to start rewriting that instructive and well-documented volume. But it is my duty to draw attention to a practical solution which would abolish at least misery, poverty, insecurity in all homes in which live the 20,700,000 citizens of Canada, counted one by one, each of whom would always be assured of the necessary minimum income through his work, his capital or his own right.

• (5:20 p.m.)

Mr. Speaker, we have produced in Canada, in 1968, $68 billion in goods and services, of which $40 billion were used for the consumption needs of the population. Out of that production a surplus of $28 billion in profits was reinvested by a small number of citizens who already have more than they need.

Of those $28 billion in reinvested profits approximately 15 per cent or $4 billion come from individuals and 85 per cent or $24 billion from corporations.

I have here, Mr. Speaker, a table which would complement my speech, but which is too long to be quoted at full length. With your permission, Mr. Speaker, I would table it for printing in *Hansard*.

The Acting Speaker (Mr. Béchard): Order. Does the house agree to the member tabling the table mentioned in the official report?

Mr. Lambert (Edmonton West): I rise on a point of order, Mr. Speaker.

We should know the source of this table.

The Acting Speaker (Mr. Béchard): Order. I must tell the house that the document handed to me bears no indication of its source.

Mr. Lambert (Edmonton West): Is it an official table of the Dominion Bureau of Statistics, or merely a table prepared by the member?

Mr. Latulippe: Mr. Speaker, it is an official table taken from the *Canada Year Book*. It contains government statistics.

Mr. Lambert (Edmonton West): We will take the hon. member's word.

The Acting Speaker (Mr. Béchard): Order. In view of the fact that it is a rather short compilation, does the house authorize the hon. member for Crompton to include this document as part of his speech?

Some hon. Members: Agreed.

[*Editor's note: The table referred to reads as follows:*]

2. TREND OF THE VARIOUS ECONOMIC SECTORS, 1944-1967

	1944	1967	x by
	$	$	
1. National production: Revenues	11,400,000,000	62,000,000,000	x 5½
2. National consumption: Expenditures	10,120,000,000	38,000,000,000	x 4
3. National capitalization: Profits	1,280,000,000	22,000,000,000	x 17
4. Cheques in circulation	60,000,000,000	600,000,000,000	$10
1. Assets of the 8 chartered banks	6,000,000,000	31,000,000,000	x 5
2. Shares: 800 Top-Companies	7,000,000,000	102,000,000,000	x 14
3. Royal Bank: 1 share: Value	10	80	x 8
4. Royal Bank: dividend-share	0.60 under 6%	3.00 30%	x 5
1. M.P.'s basic salary	4,000 a year	18,000 a year	x 4½
2. Old age pension	20 a month	105 a month	x 5¼
3. Family allowances: Child: 6 years old	6 a month	6 a month	x 1
4. Mother at home	0 a month	0 a month	x 0

Mr. Latulippe: Thank you, Mr. Speaker, and thank you also to all the hon. members.

Mr. Speaker, I come now to my closing remarks. All that can and must be implemented by this government, by our 263 ministers and members, within the regular framework of our constitution, in our present confederation. This is my challenge, this is what I can show you without limitation. I have taken precautions in that respect. That is all I can tell you, a demonstration can be made by all possible means, by letters, by figures and by sketches, by science and by conscience, by knowledge and by simple common sense.

The Acting Speaker (Mr. Béchard): Order. I am exceedingly sorry to have to interrupt the hon. member in the expression of such noble feelings, but the time allotted to him has expired. Unless he obtains the unanimous consent of the house, I must recognize another member.

Does the house unanimously agree to allow the hon. member to continue his remarks?

Some hon. Members: Agreed.

Mr. Latulippe: I thank the hon. members for allowing me to continue. I shall try to be as brief as possible.

Our federal government, our governor in council, to use the expression used by the 23 ministers have the legislative power to raise family allowances immediately to one dollar a day at least instead of the present 20 cents per day, which does not even pay for a quart of milk now. One is surprised at such a statement. All of it is written in the law, Chap. 109 of the *Revised Statutes of Canada* on family allowances. A similar gesture was made along this line in 1957 by the Conservative government at that time, just before a federal election, for which he was rewarded with the biggest majority since confederation. Does the right hon. member for Prince Albert (Mr. Diefenbaker) remember it? Has he regretted such an initiative? Why has he not repeated it more often? He is ashamed to tell us. Let us go back to page 2806 of the *Revised Statutes of Canada,* 1952, on family allowances act Section, 11, where it is clearly stated:

> The Governor in Council may make regulations to give effect and to carry out the objects of this Act,

Consequently, at the present time and according to the present legislation of family allowances, the governor in council, that is the 29 ministers of the present legislature elected by the people of Canada and according to the laws voted by the 264 members of Canada are the only ones empowered to increase family allowances by $1 a day, $360 a year for each child less than 16 years of age. They could also increase them by $1 a day for children from the date of birth up to and including 13 years and by $2 a day for children aged 14 to 21 as long as they are attending school in order to realize and put into effect the purposes of the present legislation which essentially consists in treating equally all the Canadian children. This is a matter of interpretation according to the talents and the sense of justice of the members of parliament, the ministers of parliament and the government of Canada. It is because of such points of the law that our ministers can increase the interest on bonds without the authorization of the members in parliament assembled. When it is a matter of the almighty gold, there is less shyness and it is less demanding. May I quote an example to you? Only yesterday, September 17, 1968, all the daily newspapers of Canada were announcing that the government of Canada was issuing new bonds in the amount of $500 million, that is half a billion dollars bearing interest at 6, 6¼ and 6½ per cent. The fine print of the advertisement points out that the funds so obtained will be used to redeem government bonds amounting to $260 million at 5 per cent maturing on October 1, 1968.

Can you imagine, Mr. Speaker, our government of Canada being unable to meet its obligations. They have matured. The government must honour them but it is unable to do so. To those millionaires that were drawing 5 per cent interest for each million, there is an offer by the government that in the future they will be paid 6½ per cent or $65,000 yearly for a million instead of $50,000. This represents $15,000 more for "doing nothing" and for a period of 27 years, if you please, not to be reimbursed in advance as a precautionary measure. You will understand that this concerns the sanctity of contracts. However, to pay interest at a rate of $65,000 per million, instead of $50,000, did we think that low-income Canadians will have to pay higher taxes, that taxes will have to be raised, that the cost of living would go up? This will be terrible for children without the $6 family allowance, taxes will have to be raised, and the cost of living will be increased, affecting all citizens of Canada with no capital or earned income, who are dependent upon productive citizens or society in general.

Mr. Speaker, during the last election, at the time the campaign was in full swing, on June 15, 1968, the same gift of $500 million, or half

a billion dollars, was presented, except this time, the maximum interest rate was set at 7¼ per cent, or $72,500 per million. Now, this was again used to replace about $283 million worth of bonds at 2¾ per cent.

• (5:30 p.m.)

This indicates, Mr. Speaker, how capital is well treated, how the golden calf is well treated, how capital is well taken care of. Why are human resources not as well treated, when it comes down to family allowances? They have not been raised once from 1945 to 1968. A real shame, Mr. Speaker. One does not want to do anything for human beings, but one can do everything for capital.

This, Mr. Speaker, will surely come to an end. However, I shall not be long, as I see an honourable member who tells me to stop, perhaps because he does not find this interesting. However, I think he himself is not much more interesting.

Mr. Lambert (Edmonton West): On the other hand, it was reasonable.

Mr. Latulippe: Let us consider, beside that, millionaires who receive yearly $27,500 in interest from the government and are offered $72,500, or a yearly surplus of $45,000 per million for doing nothing. That is not funny. Yet, it seems nobody thinks about that. However, it is still through taxes imposed in large measure on the humble people, on the low wage earner and on the penniless that is increased the income of those who have a lot.

I would have much to say, Mr. Speaker, but I shall in the future get other opportunities. I shall then tell the house, as well as the ministers and the Prime Minister, that we are poorly administered, that we make every possible effort to assist capital, that it is a shame to give everything to capital and to offer nothing to the family, which represents also a capital. Everything is done to help money capital but nothing to help family capital.

Here, I am fighting for the family capital, the family as a capital, is entitled to live. It is our national resource, by it can exist both our society and our nation. It is entitled to speak and entitled to live.

Mr. J. A. Jerome (Sudbury): Mr. Speaker, in the first place allow me to tell you that I am quite proud and honoured of having the privilege to take part in the proceedings of the house.

Having witnessed last week the tokens of admiration and esteem which you have received from all those who not only have many years of experience, but also hold key posts within their party or the government, I take the liberty of telling you, on behalf of all the new members, and I am sure they will not begrudge me, that you can be rightly proud of all those praises. I wish to add right away my congratulations to those which you have already received.

I also want to join all those who congratulated the hon. member for Madawaska-Victoria (Mr. Corbin) and the hon. member for Kamloops-Cariboo (Mr. Marchand). Both stirred our enthusiasm by their brilliant first steps on the parliamentary scene, the first by moving the address in reply to the Speech from the Throne and the other by seconding it. But it is also important to emphasize that they have opened the way for a great majority of us who are new here.

[*English*]

I am very conscious and proud of being a member of this august chamber, and particularly proud to be one of the unusual number of new members in this new parliament. All of us I am sure approached this career with high expectations as to the possibilities of participating in this very vital and important work, and with a full knowledge of the sacrifices this life might entail. But whatever those sacrifices, I am sure all hon. members, particularly the new ones, are most eager to participate in the affairs of our country to the fullest possible extent. So, with these expectations and with the willingness to make the necessary sacrifices, we come to this chamber to see for the first time the manner in which this very important business is conducted.

What a tragic disappointment it was when we witnessed the performance of those who led the attack from the opposition side of the house in this throne speech debate. How disappointing it was to hear the Leader of the Opposition (Mr. Stanfield) who appeared to be preoccupied with a small number of appointments made by the government to positions in the government service. I suppose that was an invitation to us to review the record of that great province of Nova Scotia, of which for so long he was such a capable administrator. Undoubtedly there was the implication that we would not find such a thing had ever occurred during his term of office.

In my view this is not just something to gloss over, something to be hidden under the rug, as though like a small child this government had been caught with its hands in a cookie jar. It seems much more important to

me that we should face with reality the situation which I, as a member of this house and a novice in political life, intend to do.

It would seem that in filling positions in the government service this or any other government should have the opportunity, when choosing between persons of equal capability, to give some consideration to those who have come forward and made some sacrifices in public life. If there is any dishonour in this, then I think all of us have a very disillusioned view of what this life entails, and the very worth-while work involved here.

I was also disappointed to hear the Leader of the Opposition clinging so closely to a program that was introduced only a few years ago, concurrently I suppose with the term of office of a Conservative government. I refer to the winter works program. Most persons to whom I spoke before coming here applauded the decision of the government, a decision which on the face of it was bound to be unpopular with many municipalities. Nevertheless many of the leaders in the municipalities whom I heard being interviewed, and whose comments were reported in the press, said that although this decision upset some of their planned programs, the winter works program had failed and was not doing the job it was designed to do. In the interests of governmental policy to cut-back in spending, this was a courageous and forthright decision for the government to have taken at this time.

It is encouraging to know that this government is prepared to do this kind of thing. What particularly troubled me was the constant reference, not only in the speech of the Leader of the Opposition but in others to which I will refer in a moment, to the absence of government activity in the field of housing and the absence of a reference in the speech from the throne to this very important and vital program. They would appear to be suggesting that they have no knowledge of the very active and vital work of the task force which is going on at the present time, and which is dedicated to that very program. It would seem that they are not aware that in this very city at this moment the task force is at work over in the west block. It would appear also that they are ignoring the calibre of the people who are serving voluntarily on that task force. It would serve no purpose to mention them by name now, except to say that if anyone on the opposition bench had taken the trouble to examine the names of the people serving there, the work that the government is doing would be obvious. That task force is hard at work and began its work as soon as possible after this government came into office. It has received many briefs from all parts of the country, and has a full schedule laid out for the three forthcoming months. Its program is an ambitious one, indeed.

I should like now to refer to the speech of the hon. member for York South (Mr. Lewis) who followed the Leader of the Opposition. If this performance was not as great a disappointment to a new member, it would be from the standpoint of theatrics. The remarks of that hon. gentleman were delivered in perhaps a little more flowery language, with more pathos and tragedy, and more prosaic beauty, but they did not contain any more substance, or an appreciation of the basic nature and value contained in the speech from the throne. It is no wonder that in his remarks the hon. member for York South confronted the Prime Minister with a Shakespearean idiom. It was a theatrical performance at best, full of sound and fury. To carry the quotation further, it was full of sound and fury but signified nothing. That was the most disastrous thing about it all, except for his reference to the situations in Biafra and Nigeria. He spoke as if this government did not concern itself about these problems and was not aware of the grief, tragedy and starvation of these millions of people. From his observations one would be led to believe that this government was not aware of the genocide being permitted day by day, by red tape if nothing else, in many places of the world,—something we are powerless to do anything about.

• (5:40 p.m.)

What was particularly disappointing is that we waited throughout this diatribe to hear what it is that this government should be doing, what program, action or positive step the government should take, as suggested by the hon. member. In order to demonstrate the terrible default of this government we were finally greeted with precisely the proposal that the federal government of Nigeria has refused to agree to a second air strip. He then said that surely the Secretary of State for External Affairs (Mr. Sharp) or the Prime Minister (Mr. Trudeau) ought to know that Sweden has agreed to lend a plane to the International Red Cross, and if that was the case why did not Canada do the same. After all this diatribe, this was the positive proposal put forward by the hon. member, in his effort to demonstrate the inadequacy of the government in this regard. This situation was covered, however, by the Secretary of State

for External Affairs, who said that everything was being done by the Red Cross that could possibly be done and that when more could be done by Canada we would be prepared to assist. Obviously by his remarks the hon. member for York South has wasted the time of the house. He spent several minutes on a foreign affairs peroration having no substance whatsoever.

The only leader on the opposition side of the floor who did not fail to disappoint us was the hon. member for Témiscamingue (Mr. Caouette). With his good humour and his wild, fiery style he is never disappointing. Unfortunately, as I listened closely to his remarks, it seemed to me that, flowery as they were, and delivered with such good humour, they were irrelevant to the speech from the throne.

I am sure that I can find agreement among all new members on both sides of the house when I say that the common tragedy of this debate has been the failure of hon. members to recognize the fundamental character of the speech from the throne, having due regard for the majority position in which this government finds itself. For longer than we care to remember this country has experienced and has suffered from the dilemma of minority governments. One member of the N.D.P., against whom I campaigned, continually suggested that he preferred a minority government, that he espoused a government with a minority. I suppose the logical conclusion is that it is only in this situation that this party could acquire this artificial power it has never been given by the electorate.

Notwithstanding the espousal by the hon. member for the N.D.P., we all realize that this neglected country gave a clear mandate to the government. On June 25 of this year the electorate of Canada helped the Prime Minister to gain the success he deserved. They elected a sufficient number of members to allow him to sit in this house with a majority, and to carry on a program of work not only day by day or week by week, and surely not at the will or pleasure of the opposition, but for a period of some four or five years.

How fitting it is that the speech from the throne should outline the philosophy of the government and the programs it intends to carry forward. In this way it demonstrates the fundamental character of the programs that have been planned. It will allow time to plan the use of human resources, time to develop programs through research, time for study and active investigation by the capable committees of this house, and at the same time it introduces as a matter of urgent priority proposals for parliamentary reform. How appropriate it is that this reform and these far-reaching programs should be concomitant. This will allow parliament to receive and fully consider these programs in the months and years ahead. These are not day to day programs, and in none of the speeches I have heard or read by hon. members have I seen any recognition of this basic fact, or any understanding of these constitutional reforms. The subjects to be dealt with include matters of unity both in a personal and urbane sense, matters of justice and the Criminal Code, problems of industrial relations and disputes, and the system of continuous reporting on prices and costs.

There has been some reference to population expansion and the difficulties caused by urbanization. There has been reference to foreign affairs, including Viet Nam, Biafra and Czechoslovakia. All of these situations and conditions are a challenge to democracy. The programs that have been referred to will expedite our way of doing things and make it possible for us to keep pace with the times.

The challenge put forward in the speech from the throne relates precisely to the shaping up and sharpening up of procedures, so that we can be on time and in pace with the vast volume of legislation and work of this house that is now required to meet the growing needs of our great country. It is for this reason that I suggest those from the opposition who have spoken have failed to understand and appreciate the basic character of the speech from the throne.

Let me hasten to add my support to those who have spoken in support of the address in reply moved by that hon. gentleman on this side of the house, the hon. member for Madawaska-Victoria (Mr. Corbin), and seconded by the hon. member for Kamloops-Cariboo (Mr. Marchand).

In addition to these general remarks about the speech from the throne I understand it is a traditional privilege given to new members of this house to say something about the beauties of their particular ridings, for the benefit of those hon. members who have not had the opportunity to visit them personally.

The riding of Sudbury is made up mainly of the city of Sudbury and the town of Copper Cliff. We have many beautiful lakes and wooded areas. We have a beautiful new university and a beautiful park which surrounds the one lake in the city. When describing the beauty of that city I must admit sadly that a

great deal of the beauty is to be found in the people themselves, rather than in its physical characteristics. The reason I say that is that we have stood by and witnessed an ineffective program by the provincial government regarding the problem of air and water pollution, much of which is the result of the mining and smelting operations in the Sudbury riding.

One looks at the agricultural potential and the beauty of the area surrounding the city of Sudbury, and then, in a sense of pity, observes the devastation which has occurred to the natural beauty of that area as a result of smoke and gas emitted from the stacks of the smelters. What has been permitted over the years has allowed the mining operations to pollute the air and the waters, so that the grazing lands have been literally destroyed beyond all possible imagination. This has destroyed the beauty of the area and has done away with any possibility of agricultural endeavour. The area is no longer very beautiful, and this is no longer a very scenic city.

Either by constitution or by tradition, this area has been left to the exclusive jurisdiction of the provincial government, and its programs have been ineffective. The only guide lines or criteria of those programs have been directed toward the removal of the noxious sulphur content of the gases emitted by the smelter. But these efforts have been linked to guide lines which suggest that, as long as a smelter is economic, and as long as it has been able to provide for the removal of gas, it has been allowed to operate. As long as these companies have been able to make money, or in some cases even break even, the company has overlooked the pollution that occurs, and the noxious gases have been removed only to the minimum required for a profitable operation.

• (5:50 p.m.)

Surely, Mr. Speaker, there must be an area here for this government. Surely it is now time that the federal government moved into this field. We enjoy rights in this area, certainly, under health and welfare, certainly under agriculture, mines, energy and resources. We have clear precedent for authority in this area to get in and work, if not exclusively in this field then in co-operation with the provinces. I know that some legislation is intended, but I urge this government to look very closely at the problems of air and water pollution that exist in the riding of Sudbury which I represent.

It is easy for me to stand here and in my description of these problems condemn the companies that mine the ore and smelt it there, to condemn the companies associated with them in removing these noxious gases, or attempting to remove them partially only, to the extent that they are able to sell on the market the products gained thereby. But it is not quite as simple as that, for this is not the only area of our country that we leave to the industries, to be guided by economic necessities or economic advantage. A company is entitled to carry on its business for a profit. That is basic to the free enterprise system. Nor is it our function, or my proposal, that the government should be controlling the operations of companies to change that motivation or to in any way diminish the existence or the strengthening of the free enterprise system. But where the legitimate interests of two parties or two groups meet or are in conflict, where it is in the legitimate interest of the company to work its mines for a profit, at the same time it is surely in the legitimate interest of the citizens to be protected from these noxious gases wherever posible. Surely, Mr. Speaker, in order to fill that area in between there is a role for government.

If the provincial government were occupying that role and carrying it out to the fullest of its ability, that might be well and good. In fact, the tragic experience in my riding —which is what I am particularly concerned about—is that this has not taken place. I understand, from speaking with other members who are faced with the same problem, not only in the mining industry but in other industries as well, that they have had similar experiences in other provinces throughout the country. This all the more emphasizes the fact that the time is now for the federal government to move into this field with force, energy and vigour, to do the kind of things that the provincial governments have failed to do.

So in closing, Mr. Speaker, I would plead with this government to look into the problems of this vast pollution and contamination of the air we breathe and the water we enjoy, for the pleasures and for the necessities of life, because even as we stand here, at this very moment the expansion program taking place in the mines of International Nickel Company and Falconbridge Nickel Mines means that the operation is being carried on in such a way as to further prejudice the clear water and clean air that Sudburians are entitled to enjoy. So, Mr. Speaker, this contamination is taking place and is continuing. This government, I plead, should give urgent priority to this problem and see to it that

where the provinces have failed, the federal government can succeed.

Mr. Lundrigan: Mr. Speaker, in view of the fact that it is approximating six o'clock, could we agree to call it six o'clock, although I am prepared to speak at this time?

Mr. Speaker: Does the house agree that we call it six o'clock?

Some hon. Members: Agreed.

Mr. Speaker: It being six o'clock, or approximately six o'clock, I leave the chair until eight o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, first of all let me extend my congratulations to you and to your deputy on the appointment to the positions of Speaker and Deputy Speaker respectively. I feel that the events to date have more than justified the wisdom of the selection of the presiding members of this house. I should also like to express a word of congratulation to the hon. members who have taken part in the debate to date, and to say without fear of contradiction or qualification that the calibre of the debate in this house is worthy of the trust which has been placed in the representatives of the various constituencies throughout Canada.

I should also like to express my appreciation of and to offer congratulations to a former member of this house and a member of the cabinet of the previous administration, who was my opponent during the recent election and also my predecessor, for the great contribution he has made to the house and upon his recent appointment, of which most hon. members are aware. I am referring of course to Hon. Charles R. Granger.

I need not reiterate the many observations made by my colleagues and other hon. members with reference to the speech from the throne. I need not go into detail in pointing out the ways in which the present administration in its blueprint for the immediate future has neglected to come to grips in any way, shape or form with the problems facing the Canadian nation at this particular period in our history. I need not point out the ways in which the government's planned program of action has disappointed the people of the Atlantic region, the people of Newfoundland, and my constituents in Gander-Twillingate, in failing to realize the urgency of the multitude of problems, general and specific, and the areas of inactivity to which the government must address its program.

No, Mr. Speaker, one does not have to repeat in this house, to the Canadian nation or anywhere else, any of the charges that have been made to date, for it is quite obvious, even to the least astute reader, that we have been presented with another document which contains a tremendous amount of philosophizing and, as my opponent said this afternoon, sound and fury signifying nothing.

I will not mention the fact that the speech from the throne made but one reference to the whole problem of the fisheries, especially as it pertains to the Atlantic area, and to the constituents whom I have the honour to represent.

I will not mention that the only reference to that subject was in relation to an amendment to the legislation governing the Fisheries Improvement Loans Act, an amendment which certainly is a far cry from the fond hope for a fisheries policy which would help alleviate the burdens of a group of people, which I can say without qualification is the hardest working group of people in Canada, namely the Atlantic fishermen.

Some hon. Members: Hear, hear.

Mr. Lundrigan: The only indication we have had of any planned action by the federal government in relation to our fisheries problem is the abolition of the salt subsidy. The higher cost of production of fish resulting therefrom, the reduction in the price of a quintal of fish, which ranges from $6 to $10, coupled with a general increase in the cost of living, makes the problem facing the fishermen in my part of the country one which has already reached emergency proportions. I say to this government that if action is not immediately taken—and I mean immediately, not next year or five years from now—in order to ease the burdens faced by thousands of my people, then many Canadian citizens on the east coast of Canada will have second thoughts about the virtues of being Canadian citizens.

I will not mention the fact that the whole business of regional disparity received but a passing reference among a dozen other things. May I be permitted to quote the following passage which reflects the government's position on regional development:

> My ministers will bring before you legislation relating to the encouragement of manpower programs, regional improvements, domestic investment, export development and resources administration,

including a Yukon mineral act and an oil and gas production act relating to Canada's increasingly important northern resources.

This general reference to regional disparity appeared to be an afterthought which appeared somewhere toward the end of the throne speech. Is this the kind of priority which we were led to believe would become foremost in the proposed government programs to be brought before the house by this Liberal administration? This is not the kind of priority that we in the Atlantic area had expected.

I will not nauseate hon. members present by making reference to the just society. I think this concept, which was coined by Thomas More in his famous book "Utopia", has paid the necessary political dividends and is about to be considered another of the dead issues characteristic of past administrations.

No, Mr. Speaker, I refuse to address any detailed remarks to the points briefly mentioned above, for I feel I would be belabouring the obvious to the point of boring my colleagues. However, I will serve notice that now, and for the remaining years of my service to my constituency, I propose, as frequently as you will permit, sir, to draw the attention of this house to the multitude of problems facing my constituency, my province and the Atlantic region of which I am so proud.

I think perhaps that hon. members will agree, and bear with me with their usual attention and respect, if I take this opportunity to familiarize them with the constituency of Gander-Twillingate. I feel that it will be the responsibility of all my colleagues and of my worthy friend, the hon. member for Burin-Burgeo (Mr. Jamieson), to avail themselves of every opportunity to advance the position and make known the problems facing our island home, because I feel that, with few exceptions, the house has not had an opportunity to hear a realistic and frank appraisal of the problems which have forced Newfoundlanders to live in conditions which could only reflect the livelihood of people who are not bona fide members of this great Canadian nation.

The most northern extremity of my district falls in the provincial district of Green Bay, and all my colleagues and my many friends in this house who have visited that part of Newfoundland will agree that the blessings of confederation are virtues which these people only read about in the newspapers and in the recorded history of recent times.

[Mr. Lundrigan.]

I have the privilege of representing the many island communities of Notre Dame Bay, specifically the island communities of Twillingate, New World island, Fogo island and Change islands. I think, sir, if any hon. member, regardless of his potential, determination and drive, were to dedicate his whole effort in an attempt to alleviate the unbearable burdens faced by many of the constituents in this area, he would have a full time job.

• (8:10 p.m.)

My colleague, the hon. member for St. John's East (Mr. McGrath), has drawn attention to the tragedy which has befallen what was a thriving community of 14,000 souls on Bell Island, Conception Bay. I think every Canadian who is worth his salt must feel a little ashamed when he realizes that he is part of a society which has allowed this kind of modern tragedy. The same type of tragedy is befalling the residents of the island communities of Notre Dame Bay. By way of example, may I point out the nature of the conditions on Fogo island. Fogo island presently has a population of 5,000 people. It is, as it were, a fishing vessel moored conveniently off the coast of Newfoundland amidst the abundance of Atlantic fish.

A couple of decades ago, it would have been an inspiration to anybody to visit Fogo island and observe a most industrious, prosperous and conscientious people, assuming their proud place amongst the prosperous communities of Canada. Things have changed on Fogo island and today the majority of the residents of this area are barely able to keep body and soul together.

Not too many months ago the only living father of confederation, the man who led Newfoundland down the blind alley and left it there, namely the premier of Newfoundland, enunciated a great federal-provincial plan to activate the economy and develop the communities of Fogo island. Hopes were revived that the pride which was theirs would return with the return of prosperity. We have heard nothing more of that, Mr. Speaker, and the whole business is being excused with the cliché that promises, like piecrusts, were made to be broken. These people are not only forced to endure the hardships of unemployment, the low standard of living which has befallen them, but are compelled, like many other residents of the island areas in the Atlantic region, to live in isolation from the cultural and economic advantages of the rest of our society. This situation is caused by the prohibitive cost of transportation to the mainland of our island

province. It is a situation which this parliament has to remedy if it is to regain the respect of the residents of the whole of the Atlantic area and of the elected representatives of that area.

I could go into detail, Mr. Speaker, and outline another sad story. The whole region of the straight shore of Notre Dame Bay and the whole of the area of Bonavista North suffered from the crippling effects of the great fire of 1961. In 1961, as the result of the crippling effect of a great forest fire, with which I think all Canadians are familiar, the possibility for these people to earn a livelihood literally went up in smoke. The only difference between the situation now and seven years ago in Bonavista North and Notre Dame Bay is the fact that the only possibility for the people to earn a livelihood has gone without any replacement.

A couple of days ago I raised a question in this house by inquiring of the Prime Minister (Mr. Trudeau) as to whether this government had any plans for Gander comparable to those he mentioned when he indicated that $32 million would be spent to develop air terminus facilities in Vancouver, which would then become the western metropolis for Pacific coast trade.

We in Gander are eagerly awaiting a positive response to this question so that Gander will become the eastern air metropolis for Atlantic trade. All hon. members will agree that the azimuthal factors peculiar to Gander do support and justify a tremendous amount of federal attention and federal investment in this area. I feel that the economic stimulation resulting therefrom will provide the boost needed for the whole of the east coast of our province. It surprises me that such a program has not attained fruition long before now.

It behooves me, Mr. Speaker, to mention the community of Bishops Falls, which has a population of over 2,000 people and which has, as its main source of revenue, the terminus of the Canadian National Railways. I am still amazed at how casually both the premier of our province and the Minister of Transport (Mr. Hellyer), have taken the decision to abandon the rail passenger service which was announced by Hon. Mr. Pickersgill, President of the Canadian Transport Commission, from his summer home at Eastport after the June 25 election. We, the Progressive Conservative members of Newfoundland had the privilege of travelling across the island on that service immediately prior to the opening of parliament.

The only observation I have to make is that the service is being used to a greater extent than it ever has been, despite the calculated efforts of the Canadian National Railways to allow this service to deteriorate in order to discourage its use and thereby justify its termination. I call for an investigation into the actions of the Canadian Transport Commission, the Canadian National Railways and the negotiations of these bodies with the Newfoundland government. It must be obvious that collusion existed and the reasons ought to be exposed.

Questions posed to the Minister of Transport by my colleagues and me at the opening of the house as to why Canadian National Railways passenger service was being abandoned received replies to which I should like to draw the attention of all hon. members. I refer to *Hansard*, page 22, column 2, paragraph 3 where it is stated, in effect, that because of the cost and the declining usage of the service this action was taken. The minister made this statement despite the fact that passenger service is costing a mint of money across the whole of the Dominion. When I am faced with this kind of logic, I am forced to ask why Newfoundland was selected as the province to lose its rail passenger service.

Is this the kind of logic that is to be applied to other areas of our economy? I think all hon. members present, and the Canadian people as a whole, must sympathize with the position with which we are faced, especially when one realizes the whole of our passenger service is to be terminated, and not a little passing track. The whole of our passenger service is to be terminated as of April 15.

I am as aware as other members in this house of the great sums of money that have been spent in Newfoundland during the past 20 years of confederation. We feel pride in being Canadians. I do not believe you will find people anywhere in Canada with greater allegiance to this country than the people of Newfoundland. I have had many great moments standing before great gatherings of young people and hearing them sing our national anthem, with great enthusiasm. We are proud to be Canadians. I think that Newfoundlanders are aware that great sums of money have been spent in Newfoundland during the past 20 years.

We are not looking for handouts, Mr. Speaker. This is not the type of people we are in Newfoundland. The premier of Newfoundland might certainly have gained the reputation of being so inclined, and I think that the federal government might have reciprocated and enhanced this particular image. It would

have been healthier for the government of Canada to have co-ordinated the efforts of all government agencies in an attempt to develop the great resources of our province, thus providing economic stimulus for the whole of the dominion.

I demand here and now, Mr. Speaker, that the federal government set up machinery immediately to investigate the ways in which federal allocations of money to Newfoundland have been used during the past two decades. I think that the federal government has a responsibility to see that funds are spent in such a way as to result in the desired development for which they were allocated.

Therefore, Mr. Speaker, in closing and in thanking Your Honour and this house for your attention, I challenge the government of this country to take its responsibilities seriously and make those changes that were guaranteed to the people of my eastern province in the terms of union of 1949. Let us stop treating Newfoundland as a young, irresponsible adolescent, one to be satisfied when an opportune occasion arises.

• (8:20 p.m.)

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, there have been, and rightly so, many tributes paid to Your Honour since the beginning of this particular debate. I know I speak for all members of the house when I suggest that it was the impartial, capable and firm manner in which you conducted the sessions of the last parliament more than any other single action that has hastened the day when this parliament may be blessed with a permanent Speaker.

I should also like to take advantage of this occasion to congratulate the mover and seconder of the speech from the throne. As has been pointed out on many occasions, their speeches in both instances were very eloquent, and it is obvious that both of these young men will make a meaningful contribution to the House of Commons in years to come.

I became a member of this house, Mr. Speaker, in 1962. Since then I have met many members and made many friends, not only in my own party but in other parties. I do not think anyone would mind if I said that I have some regret, on looking around the house, at finding missing some of my hon. friends in the other parties, members who accepted defeat gracefully, understanding the insecurity of our chosen vocation.

It has been my good fortune, as one who appreciates and who likes the House of Commons and the debates which take place here, to have heard the speeches of the various leaders of the four parties in this house. Perhaps in previous sessions I earned the reputation of being aggressive and belligerent.

Some hon. Members: Oh, no.

Mr. Asselin (Charlevoix): Never.

Mr. Mackasey: Thank you. I am glad you gentlemen have changed your mistaken opinion.

Mr. Woolliams: What are you looking for, a compliment?

Mr. Mackasey: Mr. Speaker, I should like to pay a compliment to the hon. gentleman who leads the official opposition in this house. Listening to his address, and while appreciating his criticisms, I was particularly impressed with the degree of sincerity expressed by the hon. gentleman and with the grasp and command of the French language seized by him during the short time he has been in the house. As one who comes from "la belle province" and who after 47 years still speaks French with an Irish accent, I can assure the hon. gentleman that his efforts were most commendable and certainly much appreciated.

I was no less impressed by the eloquence of the house leader of the New Democratic party. I think it is safe to say, Mr. Speaker, that this gentleman is one of the great debaters of this house, indeed of most previous houses. I think he is one of the great debaters of the last decade, even though, Mr. Speaker, as I have said on so many occasions, both his and his party's philosophies are more reminiscent of the 19th century than the 20th.

As for the hon. gentleman who represents free enterprise and Social Credit in this house, I think the humour which he brings to our debates in stressing his point, the Social Credit theories which we may not appreciate but which we all respect, is a welcome addition to the debates of the House of Commons.

This is my first opportunity, Mr. Speaker, to participate in debate for some considerable months, because of illness. Certainly it is the first time I have spoken as a member of the cabinet. It goes without saying that as Minister of Labour I intend to support my leader to the best of my ability. I have known the Prime Minister (Mr. Trudeau) for some considerable time. I remember his first public speech, which was made in my riding in 1965. I watched with fascination and with approval his rapid rise from the backbenches of this party to the highest position in the land. The

victory of the Liberal party in the last election, Mr. Speaker, a victory which provided this government with a majority for the first time in a decade, proved to all of us that our Prime Minister more than any Canadian in political life today best personifies the spirit that characterizes the Canada of 1968.

I think Canadians everywhere, regardless of their political affiliations, are demanding a voice in government. They are longing for a Canada with a sense of purpose, a sense of destiny, a country on the march. Above all, Mr. Speaker, in the last election the people of Canada demonstrated as never before their belief in one country united from sea to sea, with two official languages, a country made up of people of diverse cultures. This was the real message of the success of the Liberal party in the last election. We have advanced—and I say this in all sincerity—to a position where all members of this house, certainly the leaders of all parties, accept this concept.

• (8:30 p.m.)

Perhaps I may be permitted to say a word or two in tribute to the former leader of my party, Mr. Pearson for whom I have particularly deep affection. As I travelled across the country during different political campaigns, concerned primarily with national unity I never ceased to point out that perhaps this great Canadian's contribution to national unity would be best understood and appreciated when he had left the political arena. I think that is the case, Mr. Speaker. I wonder whether members of all parties would be so united tonight were it not for Mr. Pearson's wisdom in establishing the B and B commission. I wonder if our centennial experiences and successes of last year would have been as great without a distinctive Canadian flag which represented, I think, the pinnacle of success of the Pearson years.

Mr. Woolliams: Oh, no.

Mr. Mackasey: I was speaking to a former minister of labour the other day—and incidentally he had represented a party other than the one I belong to—who reminded me that the minister of labour can never be a popular figure in the house.

Mr. Stanfield: Don't get discouraged.

Mr. Mackasey: At best, he is tolerated. If any strike that occurs is not settled within 24 hours the minister of labour is accused of being in default of his duty.

Mr. Lewis: We will give him 48 hours.

Mr. Mackasey: I am not a reactionary, but there are many who are on the hon. gentleman's side of the house.

To be perfectly fair and sincere, I must say that if the minister of labour intervenes too soon in a dispute he is considered a reactionary; if he waits too long to intervene he is accused by the Leader of the Opposition of lack of judgment, of being without any appreciation of what is inevitably described in every newspaper in the country a national emergency. That criticism has been raised in this house during this debate.

It is my duty, I think, to express my philosophy and viewpoint regarding labour and labour unrest in this country. I think too few people understand and appreciate the free collective bargaining process; too many in this country fail to distinguish between labour and management in assessing blame for a strike. On those rare occasions when we have found it necessary in this country to introduce *ad hoc* restrictive labour legislation, that legislation inevitably has worked against the best interests of labour and has come down on the side of management. That is not the type of action that I, as Minister of Labour, intend to prescribe to my colleagues.

Some hon. Members: Hear, hear.

Mr. Mackasey: This government, Mr. Speaker, is a responsible government. It knows full well that it cannot initiate actions which will be isolated; it knows that each action produces a precedent and a basis which will influence future actions and attitudes. It upholds the philosophy underlying the collective bargaining process in this land and it believes this philosophy to be that most compatible with the aims and aspirations of our free society. It believes that extraordinary legislative action should be delayed as long as possible; that is, as long as there is a glimmer of hope that the parties to the dispute will settle that dispute according to their own formula, or as long as the national welfare is not fundamentally threatened on a broad scale.

If the pursuit of this belief leads to a situation where national strikes occur, causing inconvenience and sometimes short term hardships, then that is the price Canadians must be prepared to pay for our type of freedom.

Recently, Mr. Speaker, when visiting Poland I spoke to the minister of labour in that country and I was informed that there are no strikes in Poland, in Russia, in East Germany, or in any country behind the iron curtain.

Strikes are one of the penalties, one of the inconveniences that a free society such as ours must accept periodically.

The government believes that legislative action to end a strike is a serious and regrettable step, which may be taken only when it is established beyond all doubt that the continuation of such strike represents a threat to the national well being. The minister of labour would rather be criticized in this house for being too slow to take away the legal rights of hard working Canadians than complimented for being quick to do so. Frankly, I am tired of hearing people presume that the Department of Labour is nothing more than a necessary evil, that it reacts rather than leads, that it shows no initiative, that it plays little or no part in the settling of disputes. Above all, I am fed up with those who maintain that the department is not truly concerned with the seriousness of strikes and their potential consequences. The department is most vitally concerned and is constantly taking every step open to it to bring about settlements that will be just to the worker.

What of the record of the Department of Labour in this year of so-called strikes? Perhaps hon. gentlemen opposite might be interested in some figures. Certainly those who represent urban constituencies will be.

An hon. Member: What about the farmer?

Mr. Mackasey: This year there have been 100 collective bargaining disputes which came under federal jurisdiction and were referred to the Department of Labour because they could not be settled through the free collective bargaining process without government assistance. Of those 100 disputes, Mr. Speaker, 94 were settled without recourse to strike action. I think that that is an excellent record of which the Department of Labour and the labour movement can be proud.

Some hon. Members: Hear, hear.

Mr. MacEwan: There are farmers, too.

Mr. Woolliams: Some farmers in Saskatchewan might agree with that N.D.P. philosophy.

Mr. Mackasey: We could abolish strikes; we could eliminate them, if that is the philosophy of the hon. gentleman who interrupted me just now.

Mr. MacEwan: Get on with your speech. Nobody interrupted you.

Mr. Mackasey: Of these 94 disputes where strike action was avoided, 78 were settled at the conciliation officer stage and the other 15 were settled by conciliation boards set up by the Minister of Labour. In other words, we have had six strikes out of potential of 100 strikes this year. At the present moment two strikes of minor consequence are still unsettled in this country. I submit, Mr. Speaker, that any reasonable man looking at these figures cannot deny that this is an excellent record.

It is pointless to review potential strikes or disputes where strike action was averted. I could direct the attention of the house to such disputes as the ones involving Air Canada, the CTV network, the Quebec Harbours Board and several others which, if they had gone to strike action, would have caused tremendous inconvenience to many people in this country and would have brought a tremendous economic hardship to many.

Personally I regard every strike as a breakdown of communications, as a failure on the part of labour, management or government, or all three, to communicate soon enough to resolve differences. I do not think that labour is without sin. I often wonder at the advice that some of the leading labour leaders in this country give to their membership; I often wonder at some of the distorted facts they publish and at their lack of co-operation. For instance, when the Prime Minister of this country suggests the establishment of a prices and income control board this board would inevitably work in the interests of labour. The co-operation of labour in the establishment of such boards is not always forthcoming.

I wish now to talk about a specific strike, that of the grain handlers, because that matter is of interest to many members on the opposition side. I think that that strike shows in a classic way the problems that the Department of Labour and the government are faced with in strikes of considerable magnitude. In the case of the grain handlers, as in the case of the seaway workers, all the procedures of the collective bargaining process had been exhausted. In both cases circumstances surrounding the strike and the serious consequences to the country resulting from the strike were under constant review by the department.

The main issue in any strike is this: When does a strike, unpleasant though it may be, become a national emergency? In other words, when does the public inconvenience become a public emergency? When does a private right become a public wrong and at what precise moment do the considerations to be given to these matters weigh heavily in

favour of legislative action? The government must take into account a large variety of factors, including these: Has the legal collective bargaining process been completely exhausted by the parties? What are the long and short term effects of the continuance of the strike? Are alternative services possible and operative? Is there any real hope of a settlement being reached by the parties involved and, if so, at what time and how? Is there any physical suffering as a result of the stoppage? Is the safety and health of citizens imperilled or is the security of the country undermined or weakened? These are most, though by no means all the questions, Mr. Speaker, that must be considered in determining whether a strike truly constitutes a national emergency.

• (8:40 p.m.)

There is no standard formula that has yet been determined or developed that we can apply to one, let alone all the strikes affecting the public interest. We are always faced with the agony of careful judgment, of frank appraisal; but I think the entry of government through legislative powers can only be justified when a national emergency is clearly present and not when a reactionary press decides there is an opportunity to infringe once again on the free collective bargaining rights won so hard by the labour movement in this country.

Some hon. Members: Hear, hear.

Mr. Mackasey: Mr. Speaker, there is no text book, no foolproof formula to decide what is the appropriate moment to move into these disputes. In the final analysis it is a matter of judgment when a strike becomes a national emergency, an emergency that justifies restrictive legislation. With respect to the lakehead dispute, Mr. Speaker, the strike referred to by the Leader of the Opposition (Mr. Stanfield), he suggested that I should have moved into that dispute a month ago. We do not know what he would have had us do, or what he would have done a month ago to restrict the rights of the free collective bargaining process, thus forcing the men back to work.

I have no idea what the hon. gentleman had in mind a month ago, but I do know that a month ago there was no national emergency as a result of the strike at the lakehead in this country, and that is a fact I am quite willing to substantiate now or at any other time. Mr. Speaker, my justification for not intervening sooner in the grain handling dispute was based on facts and figures supplied to my department by people who know the industry. I have been able to establish to my satisfaction, if not necessarily to the opposition, that not one single grain sale was lost as a result of the strike. Not one market was jeopardized or one commitment not honoured. Our commitments to existing customers were filled.

There was sufficient grain, in anticipation of the strike, at the port of Montreal to look after the customers in the eastern part of this country, the domestic customers. In short, Mr. Speaker, two, three or four weeks ago there was no justification for government intervention in this particular dispute.

Now then, Mr. Speaker, what changed the condition? What made this particular unpleasant strike become a national emergency? I think those on the other side of the house who are more familiar with the west than I know and appreciate the real reason, and if they are honest they will support my argument. The new unpredictable factor which changed the strike into a national emergency was the condition of the new harvest that is about to be reaped in coming weeks. It became apparent that the drying facilities at the lakehead would be needed to make this crop saleable, and to make certain its quality would not deteriorate.

This really was the fundamental difference in the problem at the lakehead last week, as opposed to the basic problem five weeks ago when, if the Department of Labour had listened to the advice of the Leader of the Opposition or of editorialists around this country, we would have walked in again with compulsory arbitration and forced the men back to work. That is what he wanted to do—

Mr. Stanfield: On a point of privilege, Mr. Speaker, is my hon. friend suggesting that I suggested he should have ordered the men back to work?

Mr. Mackasey: Mr. Speaker, I apologize for putting words in the mouth of the Leader of the Opposition. Perhaps he should have clarified what he said. I am quite prepared to sit down and ask him what he would have done, since he raised the question in his speech and suggested we should have moved in five weeks ago.

I will tell you what I was prepared to do, Mr. Speaker. I am quite prepared to tell you what I intended to do. I intended to introduce compulsory arbitration in the house at the first opportunity when the session opened, if the strike was not settled, based on legislation advanced back in 1958 by, I think, the opposition. But in addition I had prepared a measure, and obtained the permission of the

government, to introduce and establish an industrial inquiries commission into the whole operation of grain handling in the west, to determine if management could afford the wages asked by the strikers at the lakehead.

In other words, if this house, or this government, or this Minister of Labour is going to be called upon in the future to introduce restrictive labour legislation in the House of Commons, then he is going to make sure it is restrictive not only on the rights of labour but on the rights of management as well. That happens to be my basic approach.

I realize full well the shortcomings of the Department of Labour. I do not want to mislead the house and say the department cannot be improved or that our record is without blemish. There are strikes we have not settled. There are two not settled this evening. But we have already taken action to upgrade the department, to introduce new methods and increase the size of the staff without reducing the excellence and the efficiency of the conciliation branch.

We are waiting for the Woods report, the task force set up two years ago at considerable cost, which will delve into the whole problem of labour from an academic point of view and a practical point of view, that concerns the working conditions in this country. We are waiting for this report to be tabled in December, as it should be if it is on time, and then we will submit it to a standing committee for its recommendations.

In the meantime, Mr. Speaker, we are not standing still. We are investigating and proposing amendments to revise the I.R.D.I. Act, so that we can supplement the Woods report to make the Department of Labour what it should be, one that the government, the opposition and Canadians in general can be proud of. That is my mandate. That is what I intend to work toward.

I think there is another point I should emphasize, and perhaps it is the most fundamental point to the whole free collective bargaining process. No matter how we streamline our rules and update the I.R.D.I. Act, and upgrade the facilities of the department, no matter what legislation we may import from Scandinavia, or England, or any other country around the world, or how many eminent jurists prepare briefs and hold hearings, the one main ingredient needed to avoid labour disputes is the will to settle a strike, the will of both parties, the desire of both parties to avoid strike action. This is precisely the difference between the 93 strikes that were settled and the seven we were not able to settle without action. That very intangible factor is the will to settle.

The work of the Department of Labour involves people, probably more than any other department of government. This is the point that is not always understood by our editorialists. It is not always understood by my colleagues and by members of the opposition. Without the will to settle, all the legislation in the world is useless, and the will to settle is a responsibility that lies just as heavily upon the shoulders of labour as it does on the shoulders of management.

In conclusion, Mr. Speaker, let me say that this week there has been a lot of talk about poverty. I am sure that concern for the poor people of Canada is not the exclusive domain of the Liberal party. Knowing so many people in this house, as I do, I am sure all of us are concerned about poverty and how to solve the problem of poverty. I think we are all agreed it will not be solved overnight, but I think one of the keys to its solution is the need to increase productivity, and increased productivity in this country depends on good will and co-operation between management and labour. That is what we should be working towards in this country. The day has long gone by when management can consider labour as a necessary evil and labour can consider management as something intolerable, an attitude still too prevalent in this country.

I think that possibly the problem of labour unrest in this country is not one solely for the domain of the economists. I think it should also concern our social scientists, sociologists and psychologists. There should be some forces, some people who can understand and reach labour and management and make both parties understand the value of communication. Both parties must understand that the prosperity of this great country depends on the productivity of our secondary industries; and productivity I repeat, depends on co-operation between management and labour, and a mutual respect for each other's particular problems.

• (8:50 p.m.)

Until we achieve that type of productivity, so that we can take advantage of the Kennedy round and the export markets around the world, and are in a position to compete successfully with other countries of the world, then we can talk about the just society for the next 50 years. Labour has a responsible role to play on behalf of the people who are not unionized. Seventy per cent of the labour force has no official spokesman. Who

speaks for them in this house? These people have a right to share in the free society. Organized labour has a moral obligation to these people. It has an obligation to co-operate with management just as management has a moral obligation not to treat workers as slaves. Government, labour and management can increase productivity and make the just society possible.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, first of all I wish to congratulate the Prime Minister (Mr. Trudeau), the leader of the Senate, the Minister of Manpower and Immigration (Mr. MacEachen) and many others who have helped me become elected to this house. I could not see how I would be elected until these people arrived in my constituency.

I am quite proud to represent the people of southwestern Nova Scotia in the House of Commons. I say this because it is a difficult constituency to represent. It is difficult because all problems exist in my constituency. We have the problem of disparity, housing, poverty, welfare and transportation. The fishing industry faces immediate problems, and many more. It is difficult also from a geographical standpoint because Nova Scotia is barely latched on to the rest of Canada. In addition I represent the southwestern tip of Nova Scotia. Due to this fact the governments seem to forget that people exist there. It is difficult from a racial standpoint because in southwestern Nova Scotia there exist—and I say "exist" because many are not living but merely existing—people of many races. As well as white English speaking people we have Acadians of French descent, we have many people of the Negro race and also a few Indian bands.

Yes, amid difficulties, people exist there. However, when asked by my constituents what I should do in respect of the disparity, poverty and other problems I have simply answered, "The just society will take care of that; don't worry, you will get your share." I hope that my statement will be justified. I hope that the fishermen of Nova Scotia will obtain the same prices for their catch as are obtained by the fishermen of British Columbia. I hope that the people who have emigrated to other parts of Canada will be able to return home to enjoy the same standard of living in southwestern Nova Scotia as is enjoyed by the people of Ontario and other parts of Canada. I hope that the just society will provide for the young people of Nova Scotia a place where they can remain.

We are not asking for handouts. However, we do desire long term planning with regard to the many problems which face the Atlantic area, particularly Nova Scotia and southwestern Nova Scotia. We require immediate solutions to our problems. We require an immediate solution to the problems affecting our fishing industry. The government has been warned that the fishing industry of Nova Scotia is in the midst of the longest slump ever, with warnings that it could collapse within two years. The chairman of the Western Nova Scotia Fish Packers Association has announced that only Ottawa can come to the rescue, that only Ottawa can relieve the problem. We read in the press that the fisheries ministry has no pat solution to these present problems. Six processing firms have been driven out of the market this year. Over 10,000 residents on the southwestern shore of Nova Scotia will be forced to leave the area. I hope that the organization which is projecting the just society will act soon. Otherwise, as one gentleman said, "We will all have to move out." We are looking for immediate solutions. In addition we are looking for long term planning of the fisheries problem.

The Minister of Defence Production (Mr. Jamieson) while in Nova Scotia on September 3 of this year said that planning is essential to ensure that a decent life, as well as good jobs, is offered to all. Planning is also essential in the field of public works. We are not asking that every village have a new wharf or breakwater. We are asking simply that there be planning so that we will be able to develop good deep water harbours, while maintaining and preserving the present wharves and breakwaters which are already in existence. We ask that the just society distribute evenly the funds available for public works.

There has been planning in the field of transportation. There has been planning for almost 20 years in relation to a Digby-Saint John ferry. I anticipate that soon this will be a reality. But we do not want 20 years of planning. The Prime Minister knows something about our transportation problems because he was fogged down in Yarmouth. At one Liberal campaign meeting Senator McLean stressed the need for improved transportation facilities, larger wharves and more adequate harbour facilities. I hope this statement will be honoured.

I hope that the new department of regional development will formulate some plan to benefit our region. As a result of the discontinuance of the shipbuilding subsidies the

shipyards have closed and there has been heavy unemployment. It is our hope that the just society will provide alternative employment for these people, so that they will not find it necessary to go to Chicago, Ontario or elsewhere in order to find employment. Many of my constituents at the present time are not in a wage bracket that enables them to build homes under the National Housing Act. I ask the just society to remedy this situation.

[*Translation*]

I also ask that the just society fight for the rights of the French minority in Nova Scotia, the district I am representing.

I call Acadians in Nova Scotia second class citizens, because we cannot write or speak properly, either in French or in English, the two official languages of Canada. We must correct this situation with the help of French television and other means recommended by the B. and B. commission. Let us be fair when we distribute funds to the Acadians of Nova Scotia.

[*English*]

The government should not be afraid to get things done in southwestern Nova Scotia, because if four years from now I lose my seat in the House of Commons because things have been done in my constituency I will be proud that I have had some part in this.

I could continue, but I believe this is sufficient to convince the government that the people of the Atlantic provinces, and particularly the people of southwestern Nova Scotia are facing difficult times because of the lack of plans and foresight. I could talk about the harbours from Parkers Cove to Clyde River. I could enumerate the needs. I could go on to talk about a second ferry from Yarmouth to another American port. I could go on and talk about the many studies and inquiries that have been made in southwestern Nova Scotia without any action being taken, but I will leave my comments until later occasions when the ministers concerned are in thier seats. I doubt very much that they will read my comments in any event.

• (9:00 p.m.)

I want to emphasize in respect of this just society that we need action. I will support any government move to uplift the standard of living in the Atlantic area and particularly in southwestern Nova Scotia through any ARDA or regional development agency.

Thank you, Mr. Speaker.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to begin, as almost every other member who has participated in this debate has done, by congratulating you on your re-election as the presiding officer in this house. A democratic system can only work if the people in the country, whether they are the majority or the minority, have the right to express their views. A democratic government can only work if the members elected, whether they be in the majority or the minority, have the right to express their views and have the feeling that they will be treated with fairness whether they sit on the opposition or the government side.

The years that I have been here since 1962 have been hard years, and they have not been easy years for the Speakers of the house, because they have been years of minority government. I am sure that the view I now express is that of every member, and certainly of every member who has been here during previous sessions, that the work of the House of Commons has been made a great deal easier as a result of the fairness, the wit, the humour and charm with which you have handled the difficult task you have been given.

We have heard a good deal in the past months about the just society. The people of Canada were told during the election campaign that one thing this government would do if it was re-elected was move toward a just society. There is reference in the throne speech on several occasions to the just society. However we were given little detail in the throne speech, or in the speech of the Prime Minister the other day, about what a just society means and how it will be implemented. We were given about as much detail as the people of Canada were given during the election campaign. In fact we were told, as were the people of Canada, that there was no need to worry about what a just society meant. We were told that we did not need to understand it or know the details of it, but that all we had to do was trust the Prime Minister. He said that in God's good time, and some of us wondered just who God was, in that sense, we would get a just society. We are still waiting.

I agree with those newspaper columnists who still have great admiration for the Prime Minister and who say that we cannot do everything in one year. Speaking for a great many people, not only members of this house, we would like to see a beginning made on a new, exciting and just society. We would like to see a beginning to the creation of a more equitable Canada of the kind we were led to

believe we would begin to see if this government was re-elected. We have yet to see any signs of that.

Indeed, when you try to get anything specific from this government, you receive nothing but empty phrases. It is a common thing in this year 1968 for Canadians, whether they be politicians, university professors, newspaper columnists or ordinary citizens, to look at television, read newspapers and magazines and listen to the radio to learn about what is going on in the United States. We feel that we are quite a bit better off than those people. We are not directly involved in the war in Viet Nam, which many people in Canada believe to be an unjustified war. We do not have the race problems that exist in the United States, or at least we do not admit to them.

It is my belief that we are almost unanimous in our contempt for President Johnson. Last week when the Chrysler Corporation of the United States announced a price increase on the 1969 models, President Johnson, the one for whom a good many of us have a good deal of contempt, did not hesitate to condemn that action of the Chrysler Corporation. I am sure that General Motors and the Ford company will soon follow suit, at which time President Johnson will no doubt take issue with those automobile companies, too. The late President Kennedy not only condemned United States steel companies for increasing their prices, but forced them to rescind those price increases.

We have experienced increases in the prices of some very important and basic commodities within the last year or so. Some months ago we had an increase of about 15 per cent in the price of copper. This was brought to the attention of the government and it was pointed out that the copper companies, Noranda, Hudson Bay Mining and Smelting, and International Nickel, had never made a larger profit than they had during the last year, and that there was no need for that increase in price. It was pointed out that the price of copper was increased because there was a shortage at the time. This government did nothing about that increase.

Last week when Chrysler Corporation announced its intention to increase its prices, members of this chamber asked the Minister of Trade and Commerce (Mr. Pepin) if he would intercede. Today the Prime Minister was asked whether he would intercede. What did the Prime Minister say today? He said: "Well, what can I do?" The Prime Minister could certainly do as much as the president of the United States. He could at least express on behalf of the people of Canada their contempt and their regret that a company such as the Chrysler Corporation, as well as companies such as General Motors and Ford, who will undoubtedly follow suit in the next week or so, would increase prices at a time when their profits have never been as large.

Several years ago the government of Canada, formed by this same government party, made an agreement with the government of the United States under which the tariffs which had been collected on imported automobiles from the United States would be waived by the Canadian government. It was agreed that the $50 million savings in excise tax would go to the companies in order to establish a system under which there would be virtually free trade between the United States and Canada in automobiles. It was felt this would allow these companies to become more efficient, produce more cars at a lower cost and that the prices of automobiles would be reduced in Canada.

It has been said for many years that the reason cars have cost more in Canada than in the United States was the result of our industry being smaller, with smaller production runs, and that it cost more per unit to produce a car here than in the United States.

• (9:10 p.m.)

It was said, when the auto pact was implemented, that we would become more efficient and would not have to produce hundreds of types of models in Canada; that we would concentrate on half a dozen or a dozen models, would produce more cars in Canada, would not have to import them from the United States, and this would bring down the price of automobiles. The Minister of Trade and Commerce (Mr. Pepin) tried to argue today, first of all, that the differential between United States prices and prices in Canada had been reduced since the pact was brought into effect. There is not a word of truth in that statement.

I have here some figures which were prepared by the united automobile workers, the union which I believe represents 99 per cent of the automobile workers in Canada. These figures show what has happened to automobile prices in Canada, as compared to those in the United States, in the years since 1964 when the tax was implemented. In 1964 a six cylinder, four-door sedan produced in Canada had a suggested retail price in this country—and these figures are in U.S. dollars, so that members of the house will understand that the comparisons are correct—of $2,569. In the

United States the same car sold for $2,338, a difference of $231. The price in Canada was 9.9 per cent higher than in the United States.

The price in Canada for a 1965 model of the same car was $2,581. The price in the United States was only $2,350. There was the same difference in price, namely $231 and 9.8 per cent. In 1966 we had the same difference in price. In 1967 the difference in price was reduced by one half per cent. We were still paying 9.4 per cent more in Canada than they were in the United States. This year, the last year for which we have prices, the cost in Canada for this car was $2,727. The same car cost in the United States $2,501. The difference was still 9 per cent, that is, we were paying 9 per cent more for cars selling in Canada than they were in the United States, even though we have a free market.

It has been said, and not denied, that cars produced by the Ford Company in Oakville and sold in Toronto cost more than the same cars produced in Oakville, exported to Buffalo and sold in that city. If this is true—and I know it is—we can assume either one of two things, that the Ford Motor Company is losing money on every car it sells in Buffalo, which I do not think any member of this house would believe for one moment, or the profit for every car sold in the city of Toronto by the Ford Company is exorbitant. Yet the Minister of Trade and Commerce simply waves this fact aside and refuses to do anything, as does the Prime Minister (Mr. Trudeau).

We are not talking about some poor fisherman in Newfoundland. We are not talking about some poor farmer in the interlake area of Manitoba. We are talking about some of the largest corporations in the world. General Motors has assets of over $10 billion. The Ford Motor Company has assets of over $5 billion. Chrysler Corporation has assets of over $2 billion. Are the Big Three automobile firms in financial difficulties? Are they not making adequate profits? Do they need this price increase? These are difficult questions to answer precisely because this government, which believes in a just society, has never taken the trouble to enact the most elementary legislation which would require the automobile and other companies operating in Canada, both Canadian and foreign owned, to publish financial statements showing their assets, the extent of their sales and what their profits are. Therefore we cannot be exact in regard to the figures of these companies but some very interesting, and I think pretty accurate, estimates have been made.

[Mr. Orlikow.]

An article which appeared in the *Globe and Mail* of January 19, 1965, said in part as follows:

> According to one estimate, the average annual profit of the auto manufacturers often has run to around 30 per cent of their net worth, that is the total amount of their invested capital compared with a more normal 10 to 15 per cent return in other industries.
>
> While the balance sheets of most of the major producers are closed to public scrutiny, one federal official estimated that in a good year the profit earned by one of the leading Canadian auto producers might run as high as 80 to 90 per cent of invested capital.

This is the kind of company about which the Prime Minister said today he could not do anything. I want to compare that in a moment with the kind of thing the Prime Minister said recently in connection with a group of workers who had the temerity to go on strike, something they had the legal right to do. We do know that in 1967 Chrysler of Canada made a profit, after taxes, of $27,797,000. We do know that the Ford Motor Company of Canada increased its profit between 1966 and 1967 from $16,781,000 to $31,580,000. In other words, Ford Motor Company practically doubled its profit in Canada between 1966 and 1967. Yet we are now being told that despite these very high profits the Chrysler Corporation—and I am sure that in the next few days Ford and General Motors will be doing the same thing—will be increasing the price of 1969 automobiles.

I make these criticisms of the government because I do not believe the government cannot do anything about automobile prices. Of course, Mr. Speaker, the government cannot order the automobile companies to hold the line on prices. Of course, the government cannot, or will not, institute price controls for automobiles. They certainly cannot do this if they are not going to institute price controls on everything else. But there are a number of steps which a government which believes in a just society could take. I wish to list just four steps which the government could take.

First of all, I think the government could, and should, protest publicly the price increases announced by Chrysler and the increases which I am certain will be announced in the next few days by Ford and General Motors. Surely the Prime Minister of Canada, who believes in and has spoken so often and so eloquently outside this house about the just society, can do at least as much as President Johnson of the United States.

• (9:20 p.m.)

Second, the government can, if it believes that the automobile companies of Canada are

charging too much for their cars in this country, remove the tariffs on the importation of cars. The Minister of Industry, Trade and Commerce (Mr. Pepin) gives just the answer I would expect from him; he shakes his head that they cannot do it. Of course they can do it. They can remove the tariffs so that if I, a Canadian citizen, want to buy a car and I am being overcharged, as I know I am, I can go to the United States and buy the same car, thereby saving a substantial amount of money. If the government did that, the Canadian car companies would bring their prices down and thus their prices would become competitive.

Third, the government can order an investigation into the operations of the automobile manufacturers by the anti-combines division so we could get a look at what is actually happening in that industry. Are they really making net profits of 40 per cent or more, as has been alleged by informed observers of the automobile industry, a net profit which is exorbitant?

Fourth, the government should, in the very near future, enact legislation requiring companies, including the automobile companies, to publish financial statements showing their profits year by year, so that the public could judge whether or not the profits of the companies, and therefore their prices, are exorbitant.

These are some of the things which the government could do, and I would urge them to do it. When the Minister of Industry, Trade and Commerce, the Prime Minister (Mr. Trudeau) and the Minister of Consumer and Corporate Affairs (Mr. Basford) have been asked in the past few days what action if any they will take, they have made it very clear that they have no intention of taking any action. Indeed the Prime Minister indicated today that there is no action which he could take. I find it strange that the Prime Minister, who believes in the just society and who cannot take any action to control the exorbitant profits of the automobile companies, can hold press conferences at which he lectures workers and tells them to be sensible, reasonable and patriotic, that they should not rock the boat and that they should not ask for exorbitant wage increases, which the Prime Minister implies they are doing.

I should like to quote a couple of sentences from two articles written by George Bain of the *Globe and Mail* published on July 17 and 18 in which he quoted extensively from a transcript of a press conference given by the Prime Minister. I should like to ask the members of this house to compare the Prime Minister's attitude when he spoke about the postal workers with that which he took today when he was asked to do something about automobile corporations and their exorbitant demands for an increase in the price of cars. This is what he said when he was asked about the strike and about the demands of the workers:

> You know that government is the only employer who can meet any wage demands, no matter how high or how preposterous they be, because the government... has no money of its own. It just takes money from the taxpayer, whereas in the private sector there is a rock-bottom... beyond which the employer cannot go because if he gives more he ceases to be able to operate efficiently.
>
> Certain wage increases mean just transferring resources from the shareholder to the workers, but there is a point which, if you transfer any more, the company goes broke ...

I do not know whether the Prime Minister was thinking about General Motors, Chrysler or Ford, but there is not much chance they will go broke; there is perhaps more chance that the government of Canada will go broke than that the same would happen to General Motors.

Mr. Bain had some very interesting observations to make about the Prime Minister's speech. It is reputed that the Prime Minister does not read the newspapers, and I am sure he does not read *Hansard*, so he may not read what I say any more than what Mr. Bain writes, but I find it interesting because during the campaign Mr. Bain was full of admiration for the Prime Minister, as were most newspapermen. This is what Mr. Bain wrote:

> Reactionary may not be the word. But the total effect of those words, to my mind, is to foster public prejudice against all wage demands in the public sector, without regard to whether a particular wage demand may be eminently justified to correct a gross inequity.

In other words, what Mr. Bain is saying is that if the Prime Minister thinks that the wage demands of the postal workers or of any other group of workers are exorbitant, he should say so and not blame all workers, as he did in this press interview, for being guilty of demanding exorbitant wage increases. I say the Prime Minister should adopt the same principle in both cases, that of the strikes and that of the price increases of the automobile manufacturers. He should give the people of Canada a lead. He should do as President Johnson has done and as President Kennedy did before him. He should say to the automobile companies of this country that they are big and efficient enough and that their profits are large enough so that they do not need the

Division

price increases which they have announced for the coming year.

When we talk about automobiles, we no longer refer to a luxury. Automobiles are a necessity in this day and age. In most cities of Canada workers often drive 10, 15 or 20 miles or more in each direction to go to work. Farmers need cars, and nearly every citizen of Canada feels he needs a car and buys one. It seems to me that if the Prime Minister and his government really believe in a just society, about which they talk so frequently and so eloquently, they should apply the principles, which one would expect in a just society, to the kind of case which I have tried to document today, namely the unnecessary and exorbitant increases which are being proposed in the prices of the 1969 automobiles by Chrysler and other corporations of Canada.

Mr. Deputy Speaker: Order. It being 9.30 p.m. it is my duty, pursuant to section 4 of standing order 28 to interrupt proceedings and forthwith put the question on any amendment now before the house. Is the house ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the house to adopt the amendment to the amendment? All those in favour of the amendment to the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The house divided on the amendment to the amendment (Mr. Dumont) which was negatived on the following division:

YEAS

Messrs:

Beaudoin
Caouette
Dumont
Fortin
Gauthier
Godin
Lambert (Bellechasse)
Laprise
Latulippe
Matte
Rodrigue
Rondeau
Tétrault—13.

[Mr. Orlikow.]

NAYS

Messrs:

Aiken
Alexander
Alkenbrack
Allmand
Anderson
Asselin
Badanai
Baldwin
Barrett
Basford
Béchard
Beer
Bell
Benjamin
Benson
Bigg
Blair
Blouin
Borrie
Boulanger
Breau
Brewin
Brown
Buchanan
Burton
Caccia
Cadieux (Labelle)
Cafik
Cantin
Carter
Chappell
Chrétien
Clermont
Coates
Cobbe
Code
Comeau
Comtois
Corbin
Côté (Richelieu)
Crossman
Crouse
Cullen
Cyr
Danforth
Danson
Davis
Deachman
Deakon
De Bané
Diefenbaker
Dinsdale
Douglas
Downey
Drury
Dubé
Duquet
Durante
Émard
Fairweather
Flemming
Forest
Forget
Forrestall
Foster
Francis
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Goode
Gray
Grills
Groos
Guay (St. Boniface)
Guilbault
Haidasz
Hales
Harding
Harkness
Harries
Hees
Hellyer
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Howe
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Norfolk-Haldimand)
Knowles (Winnipeg North Centre)
Korchinski
Laing (Vancouver South)
Lambert (Edmonton West)
Lang (Saskatoon-Humbolt)
Langlois
Laniel
La Salle
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Legault
Lessard (Lac-Saint-Jean)
Lewis
Lundrigan
Macdonald (Rosedale)
MacEwan
MacGuigan
MacInnis (Mrs.) (Vancouver-Kingsway)
Mackasey
MacLean
MacRae
McBride
McCleave
McCutcheon
McGrath
McIlraith
McIntosh
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Marshall
Mather
Mazankowski
Mongrain
Monteith

Moore (Wetaskiwin)
Moores (Bonavista-Trinity-Conception)
Morison
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Murphy
Nesbitt
Noël
Nowlan
Nystrom
O'Connell
Olson
Orange
Orlikow
Osler
Otto
Ouellet
Paproski
Peddle
Pelletier
Pepin
Perrault
Peters
Pilon
Portelance
Pringle
Prud'homme
Ricard
Richard
Richardson
Ritchie
Roberts
Robinson
Rochon
Rock
Rose
Roy (Timmins)
Roy (Laval)
Ryan
Rynard
Saltsman
Schreyer
Schumacher
Scott
Serré
Simpson
Skoberg
Skoreyko
Smerchanski
Smith (Saint-Jean)
Southam
Stafford
Stanbury
Stanfield
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve)
Thomas (Moncton)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Valade
Wahn
Walker
Watson
Weatherhead
Whelan
Whicher
Whiting
Winch
Woolliams
Yanakis
Yewchuk—215.

• (9:50 p.m.)

Mr. Speaker: I declare the amendment to the amendment lost. The question is now on the amendment to the main motion. All those in favour of the amendment please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The house divided on the amendment (Mr. Stanfield) which was negatived on the following division:

Division

YEAS

Messrs:

Aiken
Alexander
Alkenbrack
Asselin
Baldwin
Bell
Benjamin
Bigg
Brewin
Burton
Carter
Coates
Code
Comeau
Crouse
Danforth
Diefenbaker
Dinsdale
Downey
Fairweather
Flemming
Forrestall
Gilbert
Gleave
Grills
Hales
Harding
Harkness
Hees
Howe
Knowles (Norfolk-Haldimand)
Knowles (Winnipeg North Centre)
Korchinski
Lambert (Edmonton West)
La Salle
Lewis
Lundrigan
MacEwan
MacInnis (Mrs.) (Vancouver-Kingsway)
MacLean
MacRae
McCleave
McCutcheon
McGrath
McIntosh
Marshall
Mather
Mazankowski
Monteith
Moore
Moores
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Nesbitt
Nowlan
Nystrom
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Rose
Rynard
Saltsman
Schreyer
Schumacher
Scott
Simpson
Skoberg
Skoreyko
Southam
Stanfield
Thomas (Moncton)
Valade
Winch
Woolliams
Yewchuk—78.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Basford
Béchard
Beer
Benson
Blair
Blouin
Borrie
Boulanger
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Crossman
Cullen
Cyr
Danson
Davis
Deachman
Deakon
De Bané
Douglas
Drury
Dubé
Duquet
Durante
Émard
Forest
Forget
Foster
Francis
Gendron
Gervais
Gibson
Gillespie
Givens
Goode
Gray
Groos
Guay (St. Boniface)
Guilbault
Haidasz
Harries
Hellyer
Hogarth
Honey
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle

Jamieson	Pilon
Jerome	Portelance
Kaplan	Pringle
Kierans	Prud'homme
Laing (Vancouver South)	Richard
Lang (Saskatoon-Humboldt)	Richardson
Langlois	Roberts
Laniel	Robinson
Leblanc (Laurier)	Rochon
LeBlanc (Rimouski)	Rock
Lefebvre	Roy (Timmins)
Legault	Roy (Laval)
Lessard (Lac-Saint-Jean)	Ryan
Macdonald (Rosedale)	Serré
MacGuigan	Smerchanski
Mackasey	Smith (Saint-Jean)
McBride	Stafford
McIlraith	Stanbury
McNulty	Stewart (Cochrane)
Mahoney	Stewart (Okanagan-Kootenay)
Major	St. Pierre
Marceau	Sulatycky
Marchand (Langelier)	Sullivan
Marchand (Kamloops-Cariboo)	Thomas (Maisonneuve)
Mongrain	Tolmie
Morison	Trudeau
Murphy	Trudel
Noël	Turner (London East)
O'Connell	Turner (Ottawa-Carleton)
Olson	Wahn
Orange	Walker
Osler	Watson
Otto	Weatherhead
Ouellet	Whelan
Pelletier	Whicher
Pepin	Whiting
Perrault	Yanakis—137.

• (10:00 p.m.)

Mr. Speaker: I declare the amendment lost.

Mr. Hees: Mr. Speaker, may I call it ten o'clock.

BUSINESS OF THE HOUSE

Mr. Baldwin: May I ask the government house leader what will be the government order of business, particularly following the throne speech debate, and the order of that business and its priorities, so that the opposition parties, including this one will be able properly to prepare to meet that particular order, which I hope will be given to us tonight?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker. On the assumption that the throne speech debate would go to the full length, which would be next Wednesday, we would anticipate calling interim supply for Thursday. In the event that the throne speech debate terminates earlier than that, we would be calling a number of the items on the order paper, most probably with respect to farm financing, items Nos. 5, 6 and 7.

Mr. Stanfield: Mr. Speaker, with respect, the minister speaks in terms of probability. Cannot the government house leader tell us definitely what business will be put before the house following termination of the throne speech debate?

Mr. Macdonald (Rosedale): It certainly would not be the government's intention to cut off the traditional rights of hon. members to participate in the throne speech debate.

Some hon. Members: Hear, hear.

Mr. Stanfield: Mr. Speaker—

Mr. Speaker: I have to suggest to hon. members that it is irregular to have a debate after ten o'clock.

Mr. Stanfield: Just on a point of order, Mr. Speaker, I assume my hon. friend did not mean to deliberately misinterpret what I asked him. I asked him if he could not tell the house with certainty, rather than probability, what the order of business would be following termination of the throne speech debate, and the interim supply.

Mr. Macdonald (Rosedale): Mr. Speaker, I repeat we expect to call interim supply immediately following the throne speech debate. I would certainly be glad to have further discussions with my hon. friends opposite regarding the order of business but we propose, as indicated, to call the legislation with respect to farm financing.

Mr. Speaker: Order. This house stands adjourned until eleven o'clock tomorrow morning.

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

HOUSE OF COMMONS

Friday, September 20, 1968

The house met at 11 a.m.

MESSAGES FROM THE SENATE

Mr. Speaker: Order, please. I have the honour to inform the house that messages have been received from the Senate informing this house that the Senate has appointed certain of the senators to act on joint committees of both houses, the library of parliament, the printing of parliament, and the parliamentary restaurant.

TRADE

TABLING OF WHITE PAPER ON ANTI-DUMPING

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I wish to table, in English and in French, a copy of a white paper on anti-dumping. As hon. members are aware, to implement the anti-dumping code negotiated in the Kennedy round certain revisions are required to existing customs legislation. It is the government's intention to seek the approval of parliament in the near future for a separate statute dealing exclusively with the application of anti-dumping duties. The white paper is being made public at this time to provide hon. members and other interested parties with an opportunity to examine and comment on the kind of legislative provisions being contemplated to give effect to the anti-dumping code. I also suggest that the white paper be referred to the standing committee on finance, trade and economic affairs, as soon as the house agrees to set up this body.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to make a short comment in this regard. It is particularly apposite that the white paper should be brought forward now. However, in view of the fact that recently the United States Senate passed a renegotiation bill which also contains provision for the repeal of the anti-dumping convention entered into by the United States, and as dumping affects Canada and the United States particularly, I think this house will want to examine this convention and the proposed legislation very carefully in light of events outside this country.

Mr. Speaker: Has the minister leave to table these documents?

Some hon. Members: Agreed.

FINANCE

TARIFF BOARD REPORT ON REFERENCE RESPECTING HOSPITAL EQUIPMENT, ETC.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I have tabled today copies in English and in French of the report of the tariff board on reference No. 134, together with a transcript of the evidence presented to the board at its public hearings.

Reference No. 134, equipment for hospitals and other institutions, covers items in the customs tariff which provide for the duty free entry of goods imported for hospitals, educational, scientific, religious and other institutions, and of goods imported for the benefit of afflicted or handicapped persons.

I assure the house that the board's recommendations will be considered carefully by the government. Interested parties who wish to comment on this report should do so as soon as possible.

BUSINESS OF THE HOUSE

PROCEDURE RESPECTING INTRODUCTION OF PUBLIC BILLS ON ORDER PAPER

Mr. Speaker: The house will note that on today's order paper there are some 100 public bills listed for introduction by private members. It would be difficult if not impossible for the Chair to review the provisions of each of these bills at this time. May I therefore suggest to the house that we adopt the procedure which was agreed upon by the house in several recent sessions; namely, that we proceed to the introduction and first reading of these bills so that each may be scrutinized between now and the time appointed for its second reading, in order to determine whether there be any defect therein with respect to the practices and usages of the house.

• (11:10 a.m.)

Therefore in order to save the time of the house, taking into consideration that perhaps more than two hours would be required to introduce each of these measures separately, it is suggested that by unanimous consent all

the bills listed for introduction on today's order paper be deemed to have been introduced, given first reading and ordered for second reading at the next sitting of the house, subject of course to a subsequent examination as to the regularity of each bill.

Does the house agree to this procedure?

Some hon. Members: Agreed.

PUBLIC BILLS

FIRST READING

Bill C-2, to amend the Combines Investigation Act (professional sports)—Mr. MacInnis (Cape Breton-East Richmond).

Bill C-3, to amend the Criminal Code (modernization of law of picketing)—Mr. Broadbent.

Bill C-4, to amend the Public Service Staff Relations Act—Mr. Allmand.

Bill C-5, to amend the Criminal Code (company-censored housing)—Mr. Orlikow.

Bill C-6, to better assure the public's rights to freedom of access to public documents and information about government administration (administrative disclosure)—Mr. Mather.

Bill C-7, to repeal the British Columbia Indian Reserves Mineral Resources Act—Mr. Howard (Skeena).

Bill C-8, to amend the Canada Elections Act (qualifications of voters and electors)—Mr. Stanbury.

Bill C-9, to provide for the Establishment of the Alaska-Yukon highway authority (Alaska highway)—Mr. Thompson (Red Deer).

Bill C-10, to amend the Immigration Act (mental retardation)—Mr. Mather.

Bill C-11, to govern, licence and regulate the operation of rainmaking equipment in Canada—Mr. Peters.

Bill C-12, to amend the Food and Drugs Act (listing of ingredients)—Mr. Saltsman.

Bill C-13, to amend the Canada Elections Act—Mr. Deakon.

Bill C-14, to amend the Canada Labour (Standards) Code (three weeks annual vacation after three years)—Mr. Knowles (Winnipeg North Centre).

Bill C-15, to provide for the protection of news sources (press privilege)—Mr. Peters.

Bill C-16, to amend the Canada Elections Act (students' franchise)—Mr. Deachman.

Bill C-17, to amend the Criminal Code (invasion of privacy)—Mr. Mather.

Bill C-18, to amend the Criminal Code (wire tapping, etc.)—Mr. Peters.

[Mr. Speaker.]

Bill C-19, to amend the Criminal Code (fine print clauses)—Mr. Mather.

Bill C-20, to establish a national capital region planning board—Mr. Francis.

Bill C-21, to amend the Canada Elections Act (age of voters)—Mr. Nystrom.

Bill C-22, to control air pollution—Mr. Haidasz.

Bill C-23, for the Parole of Steven Murray Truscott—Mr. Knowles (Winnipeg North Centre).

Bill C-24, to amend the Criminal Code (control of electronic eavesdropping and wiretapping)—Mr. Stanbury.

Bill C-25, to amend the Railway Act (responsibility for dislocation costs)—Mr. Skoberg.

Bill C-26, to amend the Unemployment Insurance Act—Mr. Saltsman.

Bill C-27, to amend the Canada Labour (Standards) Code (severance pay)—Mr. Peters.

Bill C-28, to amend the Post Office Act (hate literature)—Mr. Orlikow.

Bill C-29, to amend the Fitness and Amateur Sport Act—Mr. Howard (Skeena).

Bill C-30, to preserve and promote native Indian and Eskimo arts and crafts—Mr. Howard (Skeena).

Bill C-31, to amend the Combines Investigation Act (floor penalties, criminal joint tortfeasors, and moieties)—Mr. Orlikow.

Bill C-32, respecting Sir John A. Macdonald day—Mr. Macquarrie.

Bill C-33, to amend the Canada Elections Act (political affiliations of candidates on ballot papers)—Mr. Howard (Okanagan Boundary).

Bill C-34, to amend the Air Canada Act—Mr. Fortin.

Bill C-35, to amend the Criminal Code (prohibiting the oral or written publication or distribution of hate literature)—Mr. Brewin.

Bill C-36, to amend the Migratory Birds Convention Act—Mr. O'Connell.

Bill C-37, to amend the Public Service Employment Act (appeal panel)—Mr. Woolliams.

Bill C-38, to amend the Inquiries Act—Mr. MacEwan.

Bill C-39, to amend the Broadcasting Act (cigarette advertising)—Mr. Mather.

Bill C-40, respecting the employment of women in federal jurisdiction before and after childbirth—Mrs. MacInnis (Vancouver-Kingsway).

Bill C-41, respecting hate propaganda—Mr. Wahn.

Bill C-42, to amend the Combines Investigation Act (increased prices)—Mr. Saltsman.

Bill C-43, to amend the Canada Labour (Standards) Code (notice and payment to employees in case of discharge or lay-off)—Mr. Knowles (Winnipeg North Centre).

Bill C-44, respecting the Research Animals Protection Act—Mr. Groos.

Bill C-45, to restrain the use of tobacco—Mr. Mather.

Bill C-46, to amend the Supreme Court Act—Mr. McCleave.

Bill C-47, to amend the Territorial Sea and Fishing Zones Act—Mr. Howard (Skeena).

Bill C-48, to amend the Criminal Code (provincial lotteries)—Mr. Valade.

Bill C-49, to amend the Judges Act—Mr. Woolliams.

Bill C-50, to amend the Criminal Code (abortion)—Mrs. MacInnis (Vancouver-Kingsway).

Bill C-51, to amend the British North America Act, 1867 (abolition of the senate)—Mr. Knowles (Winnipeg North Centre).

Bill C-52, to amend the Electoral Boundaries Readjustment Act (greater equity for urban electors)—Mr. Stanbury.

Bill C-53, to amend the Food and Drugs Act—Mr. Mather.

Bill C-54, to amend the Parliamentary Secretaries Act—Mr. MacEwan.

Bill C-55, to amend the Bills of Exchange Act and the Interest Act (off-store instalment sales)—Mr. Orlikow.

Bill C-56, to amend the Food and Drugs Act—Mr. Allmand.

Bill C-57, to establish the office of parliamentary commissioner—Mr. Thompson.

Bill C-58, to amend the Weights and Measures Act (truth in packaging)—Mr. Rose.

Bill C-59, to amend the Central Mortgage and Housing Corporation Act—Mr. Caouette.

Bill C-60, to amend the Canadian Citizenship Act (freedom of conscience)—Mr. Peters.

Bill C-61, to amend the Canada Corporations Act (filing of returns)—Mr. Burton.

Bill C-62, to amend the Criminal Code (adjournment for accused to obtain legal representation)—Mr. Allmand.

Bill C-63, to amend the Criminal Code (disturbance in parliament)—Mr. Caouette.

Bill C-64, to establish the Canada law reform commission—Mr. Schumacher.

Bill C-65, respecting the use of the word "Canada"—Mr. Caouette.

Bill C-66, to amend the Supreme Court Act—Mr. Caouette.

Bill C-67, to amend the Remembrance Day Act—Mr. Danson.

Bill C-68, to amend the National Capital Act—Mr. Woolliams.

Bill C-69, to amend the Criminal Code (cruelty to animals)—Mr. Mather.

Bill C-70, to amend the Criminal Code (air and water pollution)—Mr. Allmand.

Bill C-71, to establish a national capital region official languages board—Mr. Francis.

Bill C-72, to amend the Canada Elections Act (age of voters)—Mr. O'Connell.

Bill C-73, to amend the Canada Fair Employment Practices Act (age discrimination)—Mr. Saltsman.

Bill C-74, to amend the Canada Labour (Standards) Code (increased minimum hourly wage)—Mr. Knowles (Winnipeg North Centre).

Bill C-75, to amend the Criminal Code (preventive detention)—Mr. Orlikow.

Bill C-76, concerning the exportation of the growth and produce of Canada—Mr. Peters.

Bill C-77, to amend the Electoral Boundaries Readjustment Act—Mr. Goode.

Bill C-78, to amend the Criminal Code (wiretapping, etc.)—Mr. Orlikow.

Bill C-79, to amend the House of Commons Act (internal economy autonomy)—Mr. Howard (Skeena).

Bill C-80, to amend the Canada Elections Act (qualifications of electors and candidates)—Mr. Stewart (Cochrane).

Bill C-81, to amend the British North America Acts, 1867 to 1968, (duration of House of Commons)—Mr. Peters.

Bill C-82, respecting the metric system—Mr. MacLean.

Bill C-83, to amend the Juvenile Delinquents Act—Mr. Howard (Skeena).

Bill C-84, to amend the Bills of Exchange Act (instalment purchases)—Mr. Peters.

Bill C-85, respecting the metric system—Mr. Peters.

Bill C-86, to amend the British North America Acts, 1867 to 1965, with respect to the quorum of the House of Commons—Mr. Knowles (Winnipeg North Centre).

Bill C-87, to amend the provisions of the Criminal Code (birth control and abortion)—Mr. Wahn.

Inquiries of the Ministry

Bill C-88, to amend the Small Loans Act (advertising)—Mr. Orlikow.

Bill C-89, to amend the Canada Evidence Act (incriminating statements)—Mr. Orlikow.

Bill C-90, to amend the Canada Elections Act—Mr. Allmand.

Bill C-91, to amend the British North America Act, 1867 (grants of aids and supplies)—Mr. Caouette.

Bill C-92, to amend the Electoral Boundaries Readjustment Act—Mr. Monteith.

Bill C-93, concerning reform of the bail system—Mr. Mather.

Bill C-94, to amend the Canada Labour (Standards) Code (provision for a ninth general holiday with pay)—Mr. Knowles (Winnipeg North Centre).

Bill C-95, to amend the Criminal Code (harassing telephone communications)—Mr. Mather.

Bill C-96, to amend the Small Loans Act—Mr. Orlikow.

Bill C-97, to amend the Canadian Bill of Rights with respect to official languages—Mr. Valade.

Bill C-98, to amend the Criminal Code (tire safety)—Mr. Mather.

Bill C-99, to amend the Canada Pension Plan (housewives' contributions and benefits)—Mr. Saltsman.

Bill C-100, to establish a national capital region pollution control board—Mr. Francis.

DOMINION-PROVINCIAL RELATIONS

DISCUSSION OF MATTERS RESPECTING TAX SHARING ARRANGEMENTS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the fact that the existing tax sharing arrangements between Canada and the provinces expire, if I understand the agreements correctly, on March 31 next, has the Prime Minister taken any measures to invite the premiers to meet with the government of Canada to discuss what arrangements will succeed or continue after April 1 next?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I am today sending a letter to the ministers of finance of the provinces inviting them to a meeting late in October. It is anticipated that we will have two meetings, one late in October and the other in December, which will deal with this and other matters.

[Mr. Speaker.]

Mr. Stanfield: A supplementary question, Mr. Speaker. In view of the fact that the tax collection agreements relating to the tax sharing arrangements expire December 31 next, does the Minister of Finance not agree that it is a matter of very considerable urgency to make arrangements to carry on satisfactorily after December 31?

Mr. Benson: Yes, Mr. Speaker. This matter will be discussed in October, which will leave two months before the agreements expire. The earliest date that I thought it would be possible to get the ministers of finance together to discuss this matter was shortly after the budget in October.

Mr. Stanfield: A further supplementary question, Mr. Speaker. In view of the fact that it must be clear that all the provinces will now be preparing their estimates for the next fiscal year, how does the Minister of Finance justify leaving this question open for so long without having started negotiations?

Mr. Speaker: Order, please. I suggest to the Leader of the Opposition that his further supplementary question is argumentative.

EXTERNAL AFFAIRS

BIAFRA—SUGGESTED ACTION BY UNITED NATIONS

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. Can the minister tell the house whether the explorations to which he referred on Wednesday, with a view to bringing the urgent Biafran crisis before the United Nations, have made any progress?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the explorations are still going on. They are very difficult indeed because of the resolution of the Organization of African Unity, with which I think members of the house are familiar, in which the African countries meeting in Algiers among other things recommended that the Biafrans should lay down their arms, that the Nigerian government should observe a cease fire, and said "Please, no intervention".

It is very difficult under these circumstances to bring before the United Nations the

aspect of the problem in which we as Canadians are particularly concerned, namely the humanitarian considerations, and to try to express our concern about this matter without involving ourselves in the political aspects of the dispute.

Mr. Brewin: A supplementary question, Mr. Speaker. Before putting my supplementary question I express the hope that the minister will pursue these matters he has mentioned. Has it been possible to make further arrangements with the International Red Cross for Canada to supply transport planes so as to convey relief supplies to Biafra?

Mr. Sharp: Mr. Speaker, we are in continuous discussion with the International Red Cross to get supplies into both the Nigerian and the Biafran controlled areas. The International Red Cross is not pursuing for the moment the question of a plane because of the difficulties of flying in daytime, but just as soon as it is possible to use any transport that we can provide, it will be provided.

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question. Do I understand the Secretary of State for External Affairs to be saying that Canada is reluctant to bring this matter before the United Nations to prevent the suffering and deaths of thousands of people because this country might be accused of interfering in the internal affairs of Nigeria?

Mr. Sharp: No, Mr. Speaker, that was not what I said. I said we are very anxious to bring the matter before the United Nations but we are encountering difficulties in getting the kind of support that is necessary in the United Nations, because of the positions which have already been taken.

Right Hon. J. G. Diefenbaker (Prince Albert): I have a supplementary question, Mr. Speaker. Would the minister say what nations have been approached and have agreed to join Canada in making representations in the United Nations along the line suggested by the Leader of the Opposition?

Mr. Sharp: I am sorry, Mr. Speaker, but I did not catch the first words of the right hon. gentlemen's question.

Mr. Diefenbaker: Would the minister advise the house as to what nations are prepared to join Canada in bringing this matter before the security council or the general assembly of the United Nations?

Mr. Sharp: Mr. Speaker, we do not know the answer to that yet; that is the purpose of the exploratory meetings we are now having. I regret to say there is a good deal of reluctance on the part of several nations which we hope will join us in bringing this matter before the United Nations, because of the fact that they do not want to get involved in the political decision as to the form of government most suitable for Nigeria.

These nations would like us to put forward resolutions dealing with the humanitarian aspects of the problem, the relief of starvation, the relief of suffering, and the cessation of the loss of human life. This is our desire, as I am sure it is the desire of all the members of the house, and we have been taking an initiative in this matter. I hope that as many countries as possible will join us.

I should also like to say to the house that it is more difficult than might appear to us in Canada to get this kind of support because of the reluctance of many countries, including Canada, to interfere in the dispute between Nigeria and Biafra about the future form of government of that country.

Mr. Diefenbaker: Mr. Speaker, I have one other supplementary question. What is the difference between interference in this particular case, where thousands are dying while Canada contemplates, and the position taken by Canada with regard to Rhodesia?

Mr. Sharp: Mr. Speaker, we did not encounter the same difficulties in the United Nations with respect to the Rhodesian question as we are encountering in the question of Nigeria.

Some hon. Members: Oh, oh.

Mr. Sharp: I can assure hon. members that this is a most delicate and difficult matter for countries which are members of the United Nations to decide how to give the most effective help to the people of Nigeria and Biafra under the present circumstances.

Mr. Dinsdale: While they die.

Mr. David Lewis (York South): Mr. Speaker, I may introduce my supplementary question by saying to the minister that no one questions his sincerity in the matter and that he does not need to beat his breast quite so hard.

I should like to ask him whether, in view of the fact that there is no required number of nations which must support the placing of the matter on the agenda, that it can be done

by two or three as well as by 12 or 13, is he and his government prepared to ensure that this matter is placed on the agenda the moment that one other nation agrees with the notion that the humanitarian aspects of this matter should be discussed at the United Nations?

Mr. Sharp: The main purpose of putting any motion on the United Nations agenda is to get as large a degree of support as possible. I am sure the hon. member wants that too, and that is the purpose of the exploratory talks we are now having at the United Nations. It may give Canada some satisfaction to place this item on the agenda, but it will give us greater satisfaction if it has some practical result.

Mr. Diefenbaker: In another couple of weeks the Biafrans will all be dead.

Mr. R. Gordon L. Fairweather (Fundy-Royal): While the minister is considering this problem this morning, will he let us know what humanitarian considerations justify the latest food allocation, which by the way he announces in a press release rather than in a statement on motions, being shipped by sea rather than by air?

Mr. Sharp: Our purpose is to get as much food as possible to that area of the world as quickly as possible.

[*Translation*]

INQUIRIES OF THE MINISTRY

On the orders of the day:

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

The Minister of Labour (Mr. Mackasey) stated in his speech yesterday that the only way to fight poverty efficiently was to increase productivity. Therefore, is the government considering a system to distribute the present productivity, which is very high in Canada, when there is also a very large number of poor people?

Mr. Speaker: Does the hon. member not feel that his question is too general in nature to be asked at this time?

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, my question is directed to the right hon. Prime Minister.

[Mr. Lewis.]

Can he tell us whether he intends to announce, in the near future, the abolition or reform of the other place, according to the wishes of the present Speaker of the other place?

Mr. René Matte (Champlain): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Could the minister tell the house whether his department is involved in the now famous Rossillon affair?

Mr. André Fortin (Lotbinière): Is the hon. Minister of Finance aware of the franc devaluation problem and, if so, will the Canadian government take some action in this regard?

BILINGUALISM AND BICULTURALISM

APPOINTMENT OF CO-CHAIRMAN OF ROYAL COMMISSION

On the orders of the day:

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I should like to put a question to the right honourable Prime Minister.

Yesterday, I asked the Prime Minister whether the delay in appointing a French co-chairman to the commission on bilingualism and biculturalism would result in slowing down the work of the commission, and the right honourable Prime Minister replied:

No, Mr. Speaker, it is only a matter of drafting.

I should like to ask the right honourable Prime Minister whether, in his mind, the drafting of the report is a secondary task which can very well do without, for the time being at least, the contribution of a French-speaking co-chairman of high calibre?

Right Hon. P.-E. Trudeau (Prime Minister): The answer to that question is still no, Mr. Speaker, but it is evidently related to what I said in the first part of my answer yesterday, namely that I had already discussed the matter with the co-chairman, Mr. Dunton, and I expect to appoint a very distinguished person quite soon, and that is why I thought the drafting was not delayed, considering that the report has to be published in both languages, that the thinking is still being elaborated and that the research is complete. It is now a matter of replacing the late co-chairman, but the fact that he has not been replaced yet, in my opinion, has not delayed the work of the commission.

Mr. Asselin: Mr. Speaker, I wish to put a supplementary question.

Could the Prime Minister tell the house whether he intends to appoint as co-chairman a person who is already a member of the commission?

Mr. Trudeau: Mr. Speaker, we are limited in our choice to a few people and, as far as possible, we shall appoint someone who would accept the position and who has already worked in some way with the commission, so that a newcomer will not have to become acquainted with this work which has been in progress for several years.

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I would like to ask a supplementary question.

Could the Prime Minister tell us if, among the people he intends to appoint to the Laurendeau-Dunton commission, there will be some candidates defeated in the last election?

[*English*]

TRADE

WHEAT—REQUEST FOR STATEMENT ON EXPORT POSITION

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): I wish to direct this question to the Minister of Trade and Commerce, but in his absence perhaps the Minister of Agriculture would be prepared to answer since he is working so closely with the Minister of Trade and Commerce. In view of the growing anxiety in economic circles as to the state of Canada's wheat exports, would the minister be prepared to make a full statement on motions next week as to the amount exported this year and as to the future import commitments with other nations? Perhaps the minister might also include some comments on the Canberra talks.

Hon. H. A. Olson (Minister of Agriculture): The Minister of Trade and Commerce has already indicated he is going to respond to the invitation of hon. members opposite to make a statement on the subject the hon. gentleman has mentioned.

Hon. Robert L. Stanfield (Leader of the Opposition): May I ask a supplementary question. Would the Minister of Agriculture perhaps suggest to the Minister of Trade and Commerce that when he makes this statement he advise the house whether the countries involved in the international wheat agreement have now signed the agreement, and whether those signatures have been ratified by the appropriate authority in each country?

TRANSPORT

INQUIRIES RESPECTING FERRY SERVICES IN MARITIMES

On the orders of the day:

Mr. Guy Crossman (Westmorland-Kent): I should like to direct a question to the Minister of Transport. When will the ferry *John Hamilton Gray,* which is to be christened at Sorel on September 21, be put into operation between Cape Tormentine and Borden?

Hon. Paul Hellyer (Minister of Transport): It will be subjected to sea trials at once, and hopefully can be put into operation some time in October. The actual date has not been set as yet.

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question, Mr. Speaker, on the general question of ferries. First of all may I welcome the minister back to the house following the housing conference. I hope he will be building ferries more quickly than he has been building houses.

Has the minister anything further to state to an expectant eastern Canada on the Digby-Saint John ferry which was promised in a certain election campaign, and promised unequivocally, by the Prime Minister and amplified in a press statement by the Minister of Transport? The last statement made in the house was on March 19, when the minister said that something would be coming soon.

Mr. Hellyer: Mr. Speaker, we are making excellent progress. As the Prime Minister said, we intend to go ahead with this project and with the terminals in preparation for the ship that will be provided by the C.P.R. I want to reassure my hon. friend, after all these years of waiting, that he can now assure his constituents that the progress is real and that it will not be too long before we will have a nice new end loading ferry there.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a supplementary question for the minister. Will there be an item in the estimates for 1968-69 to cover the cost of new wharf facilities at both Digby and Saint John?

Mr. Hellyer: Mr. Speaker, the estimates will be tabled very shortly. I think my hon. friend's curiosity will have to wait until then.

Inquiries of the Ministry

Mr. Nowlan: A further supplementary. Has the government signed an agreement with the C.P.R.—

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

Hon. J. A. MacLean (Malpeque): A supplementary question, Mr. Speaker. I should like to ask the Minister of Transport whether his department is taking action to increase facilities on the Borden-Cape Tormentine service. The ferry now being built is to replace the *Prince Edward Island,* which I understand is going to be taken out of service. Therefore I would ask the minister whether he would take action to retain the *Prince Edward Island* in service until an additional ferry service can be provided, thus relieving the tremendous congestion on this route during the summer months?

Mr. Hellyer: Mr. Speaker, I share my hon. friend's concern over the capability to meet the demand during the summer months. The whole question of what might be done in addition to the present capability is under active study by the department.

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

Mr. Speaker: Order. We have had a number of supplementary questions on this general subject. I suggest we move on to another matter now.

Mr. Coates: Mr. Speaker—

Mr. Speaker: Order. I will come back to it in due course.

CANADIAN NATIONAL RAILWAYS

LUNENBURG, N.S.—CLOSING OF EXPRESS AND FREIGHT OFFICE

On the orders of the day:

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, this seems to be the Minister of Transport's day because I too wish to direct a question to him. In view of the announced closing of the Canadian National express and freight traffic in Lunenburg and the effect that this action will have on our large local shipping, fishing, foundry and other industries, will the minister expedite his review of our l.c.l. freight charges in the hope that the necessary services of Lunenburg will not be removed?

Mr. Speaker: Order. I suggest to the hon. member that this question should be placed on the order paper. Listening to the previous questions concerning a number of ferry services the impression I got was that the information given to hon. members in reply to the questions could have easily been obtained by putting the questions on the order paper.

[Mr. Hellyer.]

INCOME TAX

REPORTED AVOIDANCE PLAN BY NEWFOUNDLAND COMPANY

On the orders of the day:

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Finance and ask him whether he has concluded his examination of the charges made in *Canadian Petroleum* magazine regarding tax evasion by the Shaheen Natural Resources Company in the province of Newfoundland. If so, is the minister prepared to take some action in this matter?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the examination is not completed at this particular point. I should again point out to my hon. friend that Shaheen is not the only firm that is involved in an arrangement such as this.

Mr. Saltsman: A supplementary question. The minister's answer demonstrates the urgency of concluding this examination. Can the minister say when he will be in a position to report to the house on this matter?

Mr. Benson: Soon, Mr. Speaker.

HOUSING

REQUEST FOR FINANCIAL ASSISTANCE TO NATIVE PEOPLES

On the orders of the day:

Mr. Robert Simpson (Churchill): I wish to direct a question to the Prime Minister. In view of the deplorable housing conditions being experienced by a great number of native people in Canada, particularly in the western provinces, can the Prime Minister say whether the federal government has any plans to confer with the provinces with a view to setting up a joint plan to render financial assistance in the field of Métis housing?

INQUIRY AS TO REPORT OF TASK FORCE

On the orders of the day:

Mr. Steven E. Paproski (Edmonton Centre): Since the Minister of Labour in his speech yesterday said it has taken his task force two years to bring down a report dealing with the

practical and academic aspects of labour problems, which report will not be ready until December, may I ask the Minister of Transport, who is at present conducting an inquiry into housing, how soon after his task is finished a report will be available.

Hon. Paul Hellyer (Minister of Transport): Thirty days, Mr. Speaker.

THE CANADIAN ECONOMY

ESTABLISHMENT OF DEPARTMENT TO COMBAT REGIONAL DISPARITIES

On the orders of the day:

Mr. Robert C. Coates (Cumberland-Colchester North): My question is directed to the Prime Minister, and I hope his reply will show that the solution of the problems facing the Atlantic provinces is to be facilitated by the expeditious and efficient passage of certain business through the house. In view of the many unsolved problems facing the Atlantic area, will the Prime Minister be bringing forward legislation to cover the establishment of a new department that will combat regional economic disparities, so that our people will have some idea of the plans the government has for their area?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the government reorganization bill is on the order paper; when discussing that bill we shall discuss the new department.

[*Later:*]

Mr. Trudeau: I wish to apologize to the hon. member to whom I said a few minutes ago that the government reorganization bill is on the order paper. It will be on the order paper soon. It was mentioned in the speech from the throne, and I discussed it in my speech during the address in reply.

Mr. Woolliams: That was the reading of the will.

Mr. Trudeau: It will be on the order paper very soon.

Mr. Coates: Will the Prime Minister assure the house that as soon as the bill is placed on the order paper it will be given priority in being brought before the house, so the people of our area may learn what the government plans to do in the Atlantic provinces?

Mr. Trudeau: Well, it will be one of our priority bills, Mr. Speaker, but it is important that the house understand that many of the things we intend to do are being done now. The government reorganization bill will bring about certain legal changes but the department, under its present name, is already beginning to do the kinds of things that will be done later.

CONSUMER AFFAIRS

REPRESENTATIVE OF HOUSEWIVES ON ADVISORY COUNCIL

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): My question is directed to the Minister of Consumer and Corporate Affairs. In making his appointments to the consumer advisory council will he consider including representation of the millions of practising housewives of Canada?

POST OFFICE DEPARTMENT

DISTRIBUTION TO UNIVERSITIES OF ALLEGED IMMORAL LITERATURE

On the orders of the day:

Mr. Mac T. McCutcheon (Lambton-Kent): I wish to address my question to the Postmaster General. I have given him notice of it. In view of the information placed on the record of the Senate yesterday with respect to the distribution of filthy and immoral literature in our universities, will the minister investigate the responsibilities of his department in this matter and take appropriate action?

Hon. Eric Kierans (Postmaster General): Yes, Mr. Speaker.

DEFENCE PRODUCTION

NOVA SCOTIA—REQUEST FOR ASSISTANCE FOR AVIATION FIRM

On the orders of the day:

Mr. J. M. Forrestall (Dartmouth-Halifax): My question is directed to the Minister of Defence Production. Can the minister advise the house whether the government has any current plan to deal with the critically serious situation in which the Fairey Aviation plant finds itself, near H.M.C.S. *Shearwater*?

Mr. Speaker: Order. It is difficult for me to know how urgent the matter is to which the hon. member has referred, but I presume the question could be placed on the order paper.

Mr. Forrestall: Mr. Speaker, may I draw to your attention that this is one of our largest, most sophisticated and complex industries and any losses in such an industry would

bring about a most serious situation. I feel greatly concerned about the matter.

CANADIAN BROADCASTING CORPORATION

MONTREAL—DELAY IN CONSTRUCTION OF HEADQUARTERS BUILDING

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): My question is directed to the Secretary of State. Since a precise schedule for the construction of Place Radio Canada in Montreal was announced last May by the Secretary of State, I think, what is the reason for the further delay of one month in opening tenders?

Mr. Pelletier: Mr. Speaker—

Mr. Speaker: Order, please. The question as asked is not acceptable.

LABOUR CONDITIONS

INQUIRY AS TO STEPS TO MEET UNEMPLOYMENT SITUATION

On the orders of the day:

Mr. David Lewis (York South): In the absence of the Minister of Manpower and Immigration may I direct my question to the Prime Minister. It arises out of a suggestion in the throne speech and from remarks made in this chamber that the manpower training program is expected to offset or deal with any added unemployment that may arise this winter.

I ask the right hon. gentleman whether he does not consider that the Minister of Manpower and Immigration ought to make a statement to this house, perhaps during the course of the throne speech debate, to indicate what additional plans are being processed by the manpower department to deal with increased unemployment this winter.

Right Hon. P.-E. Trudeau (Prime Minister): I will discuss this matter with the minister, Mr. Speaker.

[*Later:*]

Mr. P. B. Rynard (Simcoe North): I should like to address a question to the Acting Minister of Manpower and Immigration and ask him what program is being devised to take the place of the winter works program which has been discontinued, bearing in mind that the number of places available to Canadian manpower centres in Ontario under the retraining scheme has been cut from more than 800 to 455.

[Mr. Forrestall.]

Hon. Jean Marchand (Minister of Forestry and Rural Development): I have reason to believe I am the acting minister. I think it was announced on a couple of occasions last year that the winter works program would be abandoned this year. This was not news—

Some hon. Members: Oh, oh.

Mr. Marchand (Langelier): It was announced. Possibly some hon. members were not here, but it was announced that the program would be changed and that there would be something new. This is what I recall. Maybe hon. gentlemen opposite can check the record—

Mr. Stanfield: We will.

Mr. Marchand (Langelier): Do that, and I will do the same. Our intention was to increase the amount of training during that period. Remember, this program was not introduced in order to help the municipalities but to improve the employment position during winter time.

Mr. Rynard: Why then has the number of places been cut from over 800 to around 400? Why has this been done if the program is intended to increase training opportunities?

Mr. Marchand (Langelier): I would have to inquire into that aspect; it is a matter of agreement between the federal government and the provincial government of Ontario.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Since a number of municipalities have asked that this matter be referred to a standing committee of this house so they might appear and make representations, may I ask whether this request will be considered by the government?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I shall be happy to refer this question to the minister concerned.

[*English*]

Hon. W. G. Dinsdale (Brandon-Souris): Was the decision to cancel the winter works program, as indicated by the minister in his statement a few moments ago, relayed earlier to the municipal governments concerned in order that they could plan accordingly?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, we do not negotiate directly with municipalities.

Last year, when I was Minister of Manpower and Immigration, I met the responsible ministers in the various provinces, and together we looked into the possibility of changing this program which everybody considered inadequate and which was open to great abuse. All provinces were in favour of an amendment of the plan, although we did not have time to agree on an amending or alternative program.

[*English*]

Mr. Russell H. MacEwan (Central Nova): May I ask the minister why the government did not consult the special committee on winter works which I believe was set up at the request of the government itself—

Mr. Speaker: Order, please.

SHIPBUILDING

INQUIRY AS TO CONTRACT FOR COASTGUARD VESSEL

On the orders of the day:

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I have a question for the Minister of Transport concerning the subject of our coastguard and shipbuilding. Some three months ago the minister announced plans to replace the 56 year old Canadian coastguard vessel *Estevan*. At that time he announced that he expected a contract for a new vessel to be let within two months. I should like to know whether that contract has now been let. If not, when can we expect action on this matter?

Mr. Speaker: Order, please. My interpretation of the rules is that this type of question ought to be on the order paper.

BUSINESS OF THE HOUSE

INQUIRY AS TO FURTHER SUPPLEMENTARY ESTIMATES

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): My question is addressed to the Minister of Finance. Can the minister advise the house whether he will be tabling further supplementary estimates before the presentation of the budget?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the President of the Treasury Board is responsible for the tabling of estimates. I think he will be tabling the blue book of estimates before the budget.

Mr. Lambert (Edmonton West): Then may I direct my supplementary question to the appropriate minister and may I ask him when it is anticipated that the revised blue book is to be tabled?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, we hope to do this as soon as the rules of the house permit, which is on the first supply day after the conclusion of the address in reply.

Mr. Lambert (Edmonton West): A further supplementary question, Mr. Speaker. I think the hon. gentleman will concede that nothing in the rules prevents the tabling of the blue book. It is the presentation of individual estimates that is prohibited.

Mr. Speaker: Order, please.

[*Translation*]

PUBLIC SERVICE

INQUIRY AS TO PAYMENT OF BILINGUAL BONUS

On the orders of the day:

Mr. André Fortin (Lotbinière): Mr. Speaker, in view of the numerous telephone calls which I have received recently from members of the house and public servants, I should like to put a question to the right hon. Prime Minister.

Can he tell the house whether he intends to give the bonus for bilingualism to employees in all the departments of the public service and in the House of Commons and, if so, when?

Right Hon. P.-E. Trudeau (Prime Minister): I am taking note of the question, Mr. Speaker.

[*English*]

EXPO '67

DISCUSSIONS RESPECTING MONTREAL SHARE OF DEFICIT

On the orders of the day:

Mr. Don Mazankowski (Vegreville): I wish to direct a question to the Minister of Finance. What negotiations or discussions have taken place with city of Montreal officials with respect to that city's outstanding debt of $36 million concerning Expo financial arrangements?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the Expo corporation is under the purview of the Minister of Trade and Commerce. May I take this question as notice.

Inquiries of the Ministry

FISHERIES

INQUIRY AS TO PRODUCTIVITY REPORT

On the orders of the day:

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is directed to the Minister of Fisheries. Considering the critical situation of the Canadian groundfish industry can the minister advise the house when the Winspear productivity report may be expected. Will this report be tabled in the house?

Hon. Jack Davis (Minister of Fisheries): May I take this question as notice? I shall answer the hon. member as soon as I can.

Mr. Lundrigan: In view of the seriousness of this situation I should like to ask the minister whether plans are contemplated for interim arrangements to relieve the hardship faced by the Atlantic fishermen while the long term plans are awaited.

Mr. Davis: As the hon. member knows, there is a deficiency payment program under way at the present time; it is currently under review to determine the extent to which it will be continued through the fall months.

Mr. Lundrigan: Is the minister able to tell us when we shall be given some indication of the long term plans contemplated by the government?

Mr. Davis: Shortly, Mr. Speaker.

REPORTED PRESENCE OF RUSSIAN VESSELS OFF B.C. COAST

On the orders of the day:

Mr. Richard J. J. Durante (Comox-Alberni): I wish to direct this question to the Minister of Fisheries. Has the minister received reports during the current fishing season of Russian trawlers fishing off the west coast of British Columbia within the established 12 mile limit?

Mr. Speaker: Order. I have to remind the hon. member that it is not in order to ask simply whether a report or correspondence has been received by a minister or a department.

AIR CANADA

WINNIPEG—DISCUSSIONS RESPECTING USE OF OVERHAUL BASE

On the orders of the day:

Mr. David Orlikow (Winnipeg North): May I address a question to the Minister of Transport and ask him whether discussions are being held at the present time between his department and the government of Manitoba with respect to the continued use of the overhaul base of Air Canada at Winnipeg, so the bulk of the employees there can be assured of continued work in Winnipeg.

Hon. Paul Hellyer (Minister of Transport): The committee which was established some years ago is actively studying the alternatives which have been proposed or which are available to us, and I hope its deliberations can be concluded quite soon. A number of proposals are before the committee, and I hope it will not be too long before some conclusions are reached.

Mr. Orlikow: The minister says he hopes the study will be completely shortly. Will the result of the study be made public, and is Air Canada being consulted so there will not be a continued difference of opinion between the government and that organization as there seems to have been up to now?

Mr. Hellyer: Air Canada have been directly involved in this study, particularly in recent months, and I am sure they will be completely in accord with the solution reached, when we can get a solution which is acceptable to all the parties involved.

HOUSING

REQUEST FOR DIRECT LOANS FOR CONDOMINIUM HOUSING

On the orders of the day:

Mr. John Gilbert (Broadview): My question is directed to the Minister of Transport in his capacity as minister in charge of housing. In view of the reluctance and even refusal of financial institutions such as insurance companies, trust companies and banks to invest money in mortgages for condominium housing, would the minister consider making available direct mortgage loans to builders of such homes in order to help solve the housing crisis?

Hon. Paul Hellyer (Minister of Transport): If my memory serves me correctly some loans have been made to condominiums by private lenders, and I hope there will be more made available in the future. Many people feel that the condominium type of housing accommodation is one of the ways of achieving lower cost housing and every effort will be made to persuade private lenders to put some of their funds into this particular type of housing. I can assure the hon. member of this.

If we are unsuccessful, and if at anytime in the future there is money available for direct loans, we would naturally wish to assist this field of the market as well as the others.

INDIAN AFFAIRS

NOVA SCOTIA—REPORTED MISAPPLICATION OF HOUSING FUNDS

On the orders of the day:

Mr. Robert Muir (Cape Breton-The Sydneys): The minister responsible for Indian affairs looks rather comfortable this morning. May I ask whether he is in a position to reply to the question I asked him a couple of days ago regarding the situation at the Eskasoni Indian reserve, a question which I thought was a proper one to direct to a privy councillor.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have already considered this problem. The problem of housing for Indians is very complex and as far as the Eskasoni Indian reserve is concerned, we are now trying to relocate all the houses in one spot where we will be able to set up an adequate sewage system. We are giving priority to this project.

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I have a supplementary question—

Mr. Speaker: Order. I shall recognize the hon. member in a moment.

[*English*]

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker—

Mr. Speaker: Order. I did not immediately identify the question to which the hon. member referred. I had the impression that it was not in order. In any event it has been answered, but there should not be a supplementary with regard to it.

Mr. Muir (Cape Breton-The Sydneys): On a point of order, this was taken by some to be a facetious and amusing question, but it should be regarded seriously. Let us see some action, not just lip service to the Indian people on the part of the government.

Mr. Speaker: I realized that the question was of a serious nature, but I had the impression it was the type of question which should normally be placed on the order paper.

Mr. Muir (Cape Breton-The Sydneys): There is urgency.

Inquiries of the Ministry

TRADE

REPRESENTATION TO U.S. RESPECTING ANTI-DUMPING LEGISLATION

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question for the Minister of Finance is prompted only by his projected absence for two weeks. Could he tell the house, in the remote possibility that we will be considering the white paper he tabled this morning, whether the Canadian government has made representations to the administration in the United States concerning the implications of the Senate action with regard to the anti-dumping convention?

Hon. E. J. Benson (Minister of Finance): I will have to take this question as notice. Since I shall not be here next week I will have my parliamentary secretary answer it.

DEFENCE PRODUCTION

INQUIRY AS TO TAX BENEFITS TO NEW FIRMS

On the orders of the day:

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce, but since I see he is not here I shall address it to his parliamentary secretary. Is it correct that the Canadian government provides special tax benefits to new firms in the defence production industry and, if so, are these benefits greater than those to firms engaged in other types of production?

Mr. Speaker: Order. The question should be placed on the order paper.

TRANSPORT

INQUIRY AS TO USE OF HOVERCRAFT

On the orders of the day:

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I have a question for the Minister of Transport. Has his department or the government reached a decision concerning whether hovercraft should be used to solve some of our transportation problems not only in Atlantic Canada but in other parts of Canada as well?

Mr. Speaker: I wonder whether the hon. member would not agree that this is a question concerning general policy the answer to which should be sought by a question on the order paper.

EXTERNAL AFFAIRS

VIET NAM—U.S. KNOWLEDGE OF CANADIAN POSITION ON BOMBING

On the orders of the day:

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I should like to direct this question to the Prime Minister in view of his repeated statements to the effect that the bombing of North Viet Nam must cease immediately and totally during the Paris peace talks. Is this government policy on this matter?

Right Hon. P.-E. Trudeau (Prime Minister): The government's policy on this matter has been stated repeatedly by my predecessor. It is that the bombing should cease once the peace talks would begin in Paris. The government hesitates to tell any one side what it should do. We hope the parties are negotiating in good faith and will achieve results. It should be wrong to intervene in these peace talks to tell one side what it should do.

Mr. Harding: Has this policy been conveyed officially to the government of the United States?

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Thursday, September 19, consideration of the motion of Mr. Eymard Corbin for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I am sorry the Prime Minister is leaving the chamber, I sent a message to his office this morning asking whether he would be good enough to remain in the chamber because I intend to refer to him a number of times in my speech, and I believe it is always fair to let a member know about this in advance. I have done so. However, if the Prime Minister decides that he is not able to remain in the chamber, that of course is his business.

During the election campaign and since we have heard a great deal about the just society. The Canadian people are now interested in knowing what steps the government intends to take so that Canada will become a more just society than it is today. I believe we in this chamber should ask ourselves what conditions should be corrected so that in Canada we may have a more just society than

[Mr. Speaker.]

we have ever had before. I think all members of this house and all Canadians would agree that poverty is something which cannot be tolerated in any society which calls itself just. I believe the Prime Minister and all members of the Government would agree that a society that did not do its utmost to remove poverty from within its midst could not deem itself to be a just society.

In recent weeks, through reading the report of the Economic Council of Canada, we have learned a good deal about the question of poverty. The chapter devoted to this contains 37 pages. The question of poverty was dealt with in great detail. The report describes poverty in Canada today as a national disgrace. I was very interested to hear the Prime Minister agree with this opinion. He has said he agrees that poverty in Canada today is a national disgrace.

From this report we have learned a number of important things. We have learned first of all that there are 4,200,000 Canadians living in poverty in Canada at this very time. The report describes the conditions in which these 4,200,000 people are living in the following terms: the sour atmosphere of poor health, bad housing, accumulated defeat, alienation and despair, a sense of helplessness and entrapment. It says this is often disguised because it does not invariably go in rags and can pass unnoticed.

Second, the report tells us about the incomes received by the people of Canada who are living in conditions of poverty. It refers to single people earning less than $1,500 a year, married people with two children earning less than $2,500 a year, married people with three children earning less than $3,000 a year, married people with four children earning less than $3,500 a year and married people with five children earning less than $4,000 a year.

Third, we are told that poverty is not usually to be found only in those locations which we have learned to consider as depressed areas. It tells us that poverty is spread fairly evenly across this country. A great deal of it is found in the large metropolitan centres of the country which usually are considered to be affluent areas.

Fourth, we are told that the majority of the people who live in conditions of poverty today are not unemployed but are employed for the most part in the following industries: laundries, tanneries, lumber mills, clothing factories, hotels, restaurants, taverns, dry cleaning establishments, the retail trade, the

shoe industry, the box factories and woollen mills.

Fifth, we are told that most of these people who are suffering from poverty today are working for the minimum wages that are established by the federal government and the provincial governments for the industries which come under their jurisdiction. Those who have read the report are left with no doubt that the people who are suffering from poverty today will be raised from that condition only if these minimum wages are increased, and increased adequately now.

• (12 noon)

I should like to give hon. members an example of why these minimum wages should be increased at the present time. The minimum wage in respect of industry under federal jurisdiction was last raised on July 1, 1965 to $1.25 per hour. Since this increase the cost of living has risen by 12 per cent. I was not a member of the house when the last increase in the minimum wage in industries under federal jurisdiction came into effect but I assume that the members of the house who discussed this matter then satisfied themselves that a wage of $1.25 per hour was adequate to lift the people who receive such a wage out of the realm of poverty and above the poverty line. As the cost of living has increased by 12 per cent since that wage increase went into effect it is obvious that these wages are at least 12 per cent too low today. The same applies to wages which fall within provincial jurisdiction. These minimum wages vary across the country between $1 and $1.25 per hour and are as low as 80 cents an hour for women.

As we all know, those employees in Canada who come under union agreements have their wage agreements examined and negotiated with their employers usually every two years. These negotiations always result in substantial increases and increased fringe benefits, so those people who work in these industries are provided for adequately. That is the way it should be.

On the other hand, one-fifth of the workers across this country work for minimum wages and they do not have anyone to bargain for them. They have no one to go to their employers and demand an increase in wages to compensate for any increase in the cost of living. They have no one to negotiate the same type of health insurance plans and retirement plans that organized workers receive as a result of negotiations by their union representatives. This one-fifth of the working population is weak and unorganized and they are forced to work for these minimum wages because of health problems, lack of education or lack of skills.

The only way that such workers can have their needs adequately taken care of when from time to time the cost of living goes up, as has been the case during the past five years since this government came into office—18 per cent in five years, the greatest increase in any five-year period in Canada's history—is by the senior government in the land giving this matter serious consideration year by year. When the time arrives, as it does each two years in the case of organized workers, the government should increase the minimum wages paid to employees in industries that come under federal jurisdiction. This increase should be related to the negotiated increase on behalf of union employees in unionized industries across Canada.

The way to bring about a satisfactory wage increase for those who work for minimum wages across this country is for the federal government to decide what kind of an increase should be paid and then bring to this house a recommendation for an increase in the minimum wage. I am sure such a measure would be quickly passed by the members of this house.

Once this has been accomplished the Prime Minister should call together the provincial premiers, outline what the federal government has done and urge as strongly as possible that the provincial governments should follow suit. This is the only way that the weak and unorganized workers of this country can receive an adequate wage so as not to fall within the realm of poverty, the position in which one-fifth of the workers in this country find themselves at the present time.

We in this house have never shown any reluctance to increase our own wages. A few years ago we in fact doubled our wages. We increased our wages from $8,000 and $2,000 expenses per year to $12,000 and $6,000 expenses per year. This in fact doubled the wage we received at that time. There was no reluctance on the part of any member of this house or on the part of any government member in suggesting that these wages should be increased. Let me add that there is apparently no reluctance on the part of the government, when Liberal members are defeated, immediately to give them good jobs in various parts of the country so that they will not suffer.

It is incumbent upon us at this time to look very carefully at the needs of those in this country who look to us for help, particularly when one-fifth of our working population is living in conditions of poverty. It would not cost the taxpayers of the federal or provincial governments one cent to increase these minimum wages. Such action would simply require the employers who pay minimum wages to pay those who work for them a living wage. There may be some who will say that if we do that we will automatically cause an increase in the cost of goods and services provided by those industries which employ people at minimum wages. I am sure that every member of this house will agree that no Canadian has the right to receive cheap goods or cheap services as a result of paying inadequate wages to that one-fifth of our working population who must then live in poverty.

The Prime Minister has agreed with the report of the Economic Council of Canada and its statement that poverty in this country is a national disgrace. The Prime Minister had this to say about poverty as recorded on page 68 of *Hansard:*

> —we must define, with as much clarity as possible, the essential components of a minimum standard for satisfactory living—not a subsistence standard but one which allows for dignity and decency.

• (12:10 p.m.)

The Prime Minister also said at another point that they did not need the report of the Economic Council to make them aware of the poverty because they had known about it for a long time. In other words the knowledge about poverty which the Economic Council of Canada made available to Canadians was in the hands of the government and the Prime Minister a long time ago. I am sure, judging by his remarks in this regard, that he knew all about this situation when he became the leader of the government five months ago. Therefore he had adequate opportunity to prepare a practical program for combatting poverty in this country.

With this background I had great hopes that the Prime Minister would tell us what steps he intended to take immediately to make it possible to eradicate poverty in Canada. It was with this hope that I asked him the following question in the House of Commons on Friday last. The question is recorded in *Hansard* at page 16 and reads as follows:

> Mr. Speaker, I would like to address a question to the right hon. Prime Minister. Since the Prime Minister has stated that he agrees with the finding of the Economic Council of Canada that poverty in Canada is a national disgrace, and since the commission has reported that a great deal of this poverty occurs because people who are working are not receiving sufficient wages to enable them to bring up their families in decency and reasonable comfort, do the Prime Minister and the government intend in the very near future to increase the minimum wage as it applies to industries under federal jurisdiction, particularly as this would be an incentive or an example to the provincial governments?

This question came as quite a surprise to the Prime Minister, judging by his answer, because he obviously had not given any thought to such a suggestion and passed the buck to the Minister of Labour (Mr. Mackasey). The Minister of Labour, as could be seen by his hesitation in answering the question, was equally taken aback and answered as follows:

> Mr. Speaker, the Minister of Labour is always conscious—

Then there was a long pause.

> —of the needs of the working man in this country, and will give consideration to the suggestion of the hon. member.

Members of this house know perfectly well that when a minister of this government tells you a matter is under consideration it means it is something he has not thought about. He feels it would not be wise to refuse to do it but he really has no intention of ever doing anything about it. I tell the 106 new members of the house never to become carried away when a minister tells them he will give their suggestions consideration, because it means that as far as the minister is concerned the suggestion is dead.

I think the Minister of Labour did mean what he said. I believe he would like to do this because he is a humane man who has had great experience with the working people of this country and realizes the need for increasing minimum wages at this time to make it possible for the 4,200,000 people living in poverty to rise above the poverty line. I believe he would like to raise the minimum wage paid to workers in industries under federal jurisdiction. But he will not be allowed to do so because, in his next answer to me, the Prime Minister laid down the party line for action in this regard. Mr. Speaker, you and I know that the members of this cabinet not only are not allowed to speak outside cabinet but I am told they are not even allowed to speak inside cabinet.

Some hon. Members: Oh, oh.

Mr. Hees: There is only one speaker in cabinet, the Prime Minister, and the 27 little helpers he has for window-dressing are becoming known as the silent 27. Therefore the idea of raising the minimum wage paid to workers in industries under federal jurisdiction will not be considered by this government. I then asked the Prime Minister this supplementary question:

Does the Prime Minister in the very near future intend to call a conference with the provincial premiers to discuss this very vital problem?

His answer was:

The question asked by the hon. member is one relating to wages, costs, prices and incomes.

Now here comes the party line. This is the policy of the Liberal government for combatting inflation. I remind hon. members that this is the government that pledged itself to instituting the just society. The Prime Minister continued his answer in this way:

Our attack seeks to ensure that inflation will be curtailed in Canada. We believe this will be the best attack on the problem.

There it is. It is very easy to understand; there are no complications. That is the plan laid down by no less a person than the Prime Minister. I have no objection and nobody in Canada, of course, could have any objection to the Prime Minister saying that the government is going to take steps to curtail inflation. Heaven knows, inflation needs to be curtailed by the government because they are responsible for the greatest inflation this country has ever known.

Some hon. Members: Hear, hear.

Mr. Hees: This government increased expenditures in five years from the $6.5 billion that we were spending when we went out of office to $10.5 billion today. They have increased the cost of living by their spending, their policy with regard to wages and a great many other things which I have described in this house before and will take great pleasure describing again in the near future.

This government is responsible for increasing inflation by no less than 18 per cent in five years, slightly more than an average of 3½ per cent a year. Inflation of this size must be curtailed. We have been urging the government for the past three years to take specific steps to curtail inflation and, as everybody knows, they have done nothing. It is interesting to hear the Prime Minister now take a new interest in the matter—several years too late.

Let us examine the Prime Minister's solution to the problem of poverty in this country, and specifically curtailing inflation as a means of banishing poverty. He said that was what he was going to do. Nothing more, nothing less; that was it. Let us examine how effective he will be. The Prime Minister is a student of economics. He knows perfectly well that in the 54 years since the Dominion Bureau of Statistics first kept track of the yearly increases in inflation, in 1913, inflation has increased every year with the exception of the ten years of the great depression. Normally inflation increases year by year.

The average yearly increase over those 54 years has been very close to 2 per cent. At the present time it is increasing at nearly double that rate, 3½ per cent a year. If the Prime Minister can reduce the rate of increase of inflation from the present 3½ per cent a year to the 54-year average of 2 per cent a year, then poverty in this country will increase by only 2 per cent a year. The Prime Minister's plan for fighting inflation simply means that poverty will not only remain in this country but will increase by somewhere between the 2 per cent a year, which has been the average increase every year for 54 years, and 3½ per cent a year.

Let us for a moment look at the government's attitude in those cases where people working for a living have been strongly organized and represented by those who could put economic pressure on the government. Let us go back two years and consider the case of the Montreal dock workers' strike, the threatened C.B.C. strike, and the situation of the St. Lawrence seaway workers. What did the government do at that time? Did they say to those people: No, we are not going to authorize any increase in wages? They certainly did not say that. These people were strong; they were in a position to tie up the industry of the country. They had the government where they wanted them. The government had allowed themselves to be put in that position.

• (12:20 p.m.)

So the government said they would settle those labour disputes by giving the workers not 10 or 15 per cent but 30 per cent. The seaway workers and the C.B.C employees got 30 per cent without going on strike. The C.N.R. employees settled a little later for about 24 per cent, and although at the present time the government is not settling strikes for 30 per cent it is doing so at very close to 20

per cent increases. Those who are well organized and strong get just about anything they want because of the fact they are organized and strong, and those who are weak and are forced to work for minimum wages in unorganized industries in various parts of this country, those who cannot bring economic pressure to bear on the government, are told that even though there has been a 12 per cent increase in the cost of living since they last received a raise in 1965, the government will not give them an increase now and will not even give them any indication that they will ever get one at any time in the future. Because these people are weak and cannot bring force to bear on the government, they will get nothing.

I asked the Prime Minister whether he would consider raising the minimum wage and he said no. He said, "our approach, which we think is a far better one, will be to curtail inflation". Therefore he will try to allow inflation to increase at somewhere between 2 and 3½ per cent per year.

We have now seen what this government's attitude is toward the weak. This is the attitude of the Prime Minister who said he will bring in a just society. It has been made very clear that this government's compassion toward its fellow Canadians is in direct proportion to their strength. If you are strong you get plenty of action from this government, but if you are weak you get absolutely nothing. That is what the Prime Minister said in effect when he laid down his policy for dealing with poverty in this country. The Prime Minister said he is not willing to take the necessary steps to eradicate poverty in our midst. He said he is willing to try to stop it from increasing at too fast a rate, and what he will do is to make sure inflation increases no more than between 2 and 3½ per cent a year.

It is clear that the just society about which the Prime Minister spoke all across Canada, at shopping plazas and on television and radio, will have a built-in poverty which will increase year by year. Not only will it not disappear but it will not decrease; in fact it will increase. This is the kind of just society about which the Prime Minister has been talking for the last six months. This is the kind of plan he is putting forward. This is his idea of compassion for those who are weak. He says in effect that if you are strong you get what you want because you are strong, but if you are weak, you get nothing. That is this man's idea of compassion, decency and consideration for his fellow human beings, for the 4,200,000 who are living in a state of poverty at the present time. It is very clear that the just society about which the Prime Minister spoke is nothing more than a slogan to win elections.

We all heard him talk about the just society all across the country and we could feel his heart bleeding for those poor people who are subjugated to a state of poverty. We could just see the blood that poured out of his heart running all over the place. This is the man who says he will give Canadians a better deal, a more humane deal, the man who claims he is compassionate toward those who cannot look after themselves. Perhaps this man will bring in some constitutional reforms, which are sorely needed, but I can tell you that those 4,200,000 people—

Mr. Speaker: Order, please. I regret I have to interrupt the hon. member but it appears his time has expired, unless he has the unanimous agreement of the house to continue.

Mr. Hees: Will you allow me one more minute, Mr. Speaker?

Mr. Dinsdale: This is a good speech. Please continue.

Some hon. Members: Continue.

Mr. Hees: We have seen, in all its threadbare reality and all its nakedness, exactly what this just society will be. I say to the house and to you, Mr. Speaker, that if the policy of the government and of the Prime Minister for dealing with poverty, as I have described it and as the Prime Minister described it in his answer to me a week ago, is a sample of the government's approach to a problem which the Prime Minister himself agrees is a national disgrace, if it is a sample of the Prime Minister's compassion for those in this country who are weak and cannot look after themselves, if it is a sample of his integrity toward those people who voted for him in the last election because they believed that in reality he was going to produce a just society, then God help this country.

Hon. Donald C. Jamieson (Minister of Defence Production): Mr. Speaker, at the outset I want to join in the unanimous chorus of congratulations to you, sir, on your re-election to your high and important office and also couple with that my congratulations to the mover and seconder of the address in reply. As you know, at the opening of the last session I was given the honour of moving the address in reply, and I can appreciate fully

what an important milestone it is in the life of any new parliamentarian.

I have been impressed by the vigour and the degree of participation in this debate, by the vigour more this morning than on previous occasions, and I must say that I find myself on all fours with the right hon. member for Prince Albert (Mr. Diefenbaker) in the comments he made the other day on his birthday. Since I entered this house I have been constantly aware of the peculiar kind of kinship that exists among all of us who have chosen this road of public service and which prevails even despite our party loyalties and our sometimes strongly held partisan feelings. I believe that the level of activity in this debate is a good omen, and I hope that on all important matters hon. members, regardless of where they happen to sit in this house, will exercise their best and most objective judgment.

I want to say a word about the speeches made by the leaders of the three parties in this house on the opposite side. I was most impressed with the contribution of the Leader of the Opposition (Mr. Stanfield). As I listened to him and noted the barbs being flung in our direction I felt somewhat like the missionary who, describing an occasion when he was nailed to a tree by the spears of savage natives, was asked if it hurt and replied, "only when I laughed."

• (12:30 p.m.)

In the case of the hon. member for York South (Mr. Lewis), the impression is growing on me that the most appropriate title for this worthy gentleman, and I am sure he will not mind my saying so, is that he has become the smiling cobra of the commons. He has a benign, quiet and friendly approach right up to the very instant before he strikes. I must say, Mr. Speaker, that he has long been, as he well knows, one of my favourite debaters. I am pleased to say, too, that he is one of my close friends. When I refer to his contribution to the debate I can do so best by paraphrasing the familiar expression that, where he is concerned, when attack is inevitable I am quite content to relax and enjoy it.

In so far as the hon. member for Témiscamingue (Mr. Caouette) is concerned, he must surely be a most unusual member of this house. I noted during his contribution to the debate that there were a great many English speaking members of the house who appeared to be understanding everything he was saying without the aid of translation. I feel that he is demonstrating more and more that an understanding of the language is not always necessary for effective communication. If he would not mind, I would even suggest that perhaps he would be a worthy subject for study by the commission on bilingualism and biculturalism because in his person we may have a solution to many of the serious problems of communication.

Having made these quite sincere statements to the gentlemen opposite, I find it a little bit difficult now to make any criticisms.

Mr. Lewis: Now, how do you insult?

Mr. Jamieson: Exactly; I do not propose to spend too much time in any essentially negative approach. These three gentlemen, having criticized the Speech from the Throne for its lack of newness and imagination, themselves trotted out all the standard clichés. I suppose if one went back over the last several sessions of this house one could find some similarity in the rebuttals of the opposition leaders. One could really say, therefore, there is nothing of any significance or what I might describe as constructive criticism in what has been said. It may be argued that this is not the role of the opposition.

I should like to turn for a moment to the problems of Newfoundland, but I shall not deal with them in any narrow perspective. I would have to say that those members from my own province who have spoken have adopted much the same approach. I give them the fullest possible marks for sincerity and for being deeply conscientious about the problems of the Atlantic region. They are, like me, first and foremost Newfoundlanders. In dealing with some of the comments that have been made about our approach to the question of regional disparity, I hope I can do so in a constructive manner, without being overly critical or generating what I regard as the useless antagonisms that have on many occasions in the past made it difficult to achieve any meaningful advances.

Let me emphasize once again that I think the immediate importance of the problems of regional disparity are not exclusively those of Newfoundland. However, I believe that by examining what has been happening in that island province, where we have made mistakes and where some of the programs that have been implemented over the years have been failures, it should be possible, as the Speech from the Throne suggests and as some hon. members on the opposite side have suggested, for us to take a hard look at the whole picture. We should be examining the

possibility of integrating all the different schemes that have been devised on an ad hoc basis over the years. We should be bringing these programs into some kind of focus which will result in permanent advancement and improvement.

The hon. member for St. John's East (Mr. McGrath) has said that the government, and I presume he was going back to 1949, has been guilty of shameful neglect of the problems of Newfoundland and the Atlantic region. Let me emphasize that I am not going to argue his statement of conditions that exist. I do suggest, however, that the charge of shameful neglect is not one that can stand on all fours with the facts of the case. I doubt very much that he can argue too strongly against my proposition because he was a supporter of a government which did a great deal, I am ready to concede, for the Atlantic region. Since that time other programs have been implemented and have been added to those which were introduced in those years and previously. I believe, therefore, that the sum total of aid that has been advanced to the Atlantic region, in the case of Newfoundland since 1949, is really quite impressive.

One has only to look, for example, at the numerous benefits to our province that have resulted from the completion of the trans-Canada highway at a very great cost. One has only to total all the contributions that have been made over the years, one way and another, to bolster and support the fishing industry. There have been any number of other projects, some of general application to all Canadians all over this nation, and others that have applied to the Atlantic area alone or even to Newfoundland expressly. The truth of the matter is that in the case of Newfoundland, since 1949 right through until now, nearly 20 years, the real indictment of these programs, the real indictment of administrations at the federal level whatever their party colouration, is that they have not succeeded, despite these fantastic expenditures relatively speaking, in curing the essential and basic problems.

A case in point is one which my hon. friends opposite have talked about in this house and outside on a number of occasions. It is something which will be almost totally foreign, I believe, to other parts of the nation except Newfoundland and the Atlantic region. I refer to the salt subsidy program. I should like to dwell on this for a moment because it is illustrative, it seems to me, of the kind of thing that we ought not to be doing and perhaps ought not to have been doing over the past number of years. This salt subsidy program is a federal contribution to a particular provincial problem, a regional problem. The program was introduced for one year 15 years ago to deal with a specific and unique development within the fishing industry. It was clearly stated at that time, and everyone understood, that it was not to be an ongoing program. Yet 15 years later, the program is still in existence because when we arrived at each new fall season and made an assessment of the fishing season someone said that was not the year to cancel it. The program was designed for a very special purpose and in fact it was really disguised welfare. It has been larded on year after year for a period of 15 years.

We have expended, I suppose, in excess of $10 million on this program in a period of 15 years. I do not know the exact figure without looking up the records but it must be in that neighbourhood. This amount has been paid out in dribs and drabs over the years, so that after 15 years we find hon. gentlemen opposite able to claim that the cancellation of the program amounts to a near death blow to Newfoundland and the Atlantic provinces' fishing industry. Even conceding the seriousness of the withdrawal for a moment, the really significant point is that the amount involved here, if my hon. friends are right and it makes the difference between security and the lack of it for the Newfoundland fisherman, is not much more than $350,000.

An hon. Member: That is a great deal of money.

Mr. Jamieson: The hon. member for St. John's East stated that there were about 150,000 people engaged in the Newfoundland fishing industry. I suggest that may be something of an exaggeration, but that is beside the point. If $350,000 spread over a group of 150,000 people, either directly or indirectly, is going to have such an effect, it is clearly indicative of the fact the program has failed. I say, therefore, we must look quickly at the alternative. I quite agree it is not enough simply to carve off programs that are demonstrably inefficient. You have to provide alternatives. I do say to those gentlemen, and to members in this house in general, that it serves no useful purpose to continue with this kind of dribs and drabs contribution when after 15 years we find the program is not really making a significant contribution to the protection or improvement of the fishing industry.

There are two other aspects of the program that are wrong that I should like to mention. I merely use this example to illustrate once again why it is so important that we have, as the throne speech suggests, a detailed re-examination of a great many programs. One of the difficulties or shortcomings of the salt rebate program is that the more fish a man catches the more salt he is going to use. The more salt he uses, the greater the rebate he is going to receive. The conclusion is surely obvious, therefore, that the man who needs it least gets the largest rebate in a great many cases because he does have a substantial catch to sell.

The second point is that because of the structure of the program, which was set up on an interim one year basis, no one has really had the courage to say, surely we should halt this subsidy. The third point is that a very substantial part of the moneys given under this program, the withdrawal of which hon. gentlemen call a death blow, goes to the business community. While I am not suggesting for one moment that the fishing trade or business community is not entitled to consideration, let me assure you, gentlemen, that my heart is not bleeding for those people. If $500,000 or $600,000 or $700,000 is going to be given to the Newfoundland fisheries, then let it go to the primary producers, particularly in this case and indeed in many other cases as well.

• (12:40 p.m.)

I have taken a fair amount of time to discuss this matter, Mr. Speaker, because I think it is typical of the sort of band-aid solutions, as I have called them, applied by successive governments. If hon. gentlemen opposite are being critical of this administration, then let us have the same kind of criticism made of those who were in office up until 1963.

I am surprised, Mr. Speaker, and in fact a little puzzled, by the extent to which my hon. friends opposite from Newfoundland made the welkin ring over the cancellation of the winter works program. Here again is another of those examples of why we need to rethink these schemes. If these hon. gentlemen opposite had bothered to look at the details and the facts that are readily available to them, they would have discovered that in the last year of this program, that is, the 1967-68 season, out of an amount in excess of $20 million provided from federal funds for this program the absolute maximum total of funds spent in Newfoundland was $135,000. This, Mr. Speaker, out of more than $20 million.

Furthermore, if they observe how the rest of the money was spent they might also discover that the largest proportion of it went into the large metropolitan areas. I am prepared to concede that the big cities do have a different kind of problem, and my argument, therefore, at this point is not whether the winter works program was a good idea. But in the case of Newfoundland it is clearly evident that it was not worth the powder to blow it to Hades—$135,000 expended, spread over a period of five or six months. For the most part the municipalities merely shifted necessary works from one month to another, thus in totality generating no new employment at all.

Another defect in the program, if one takes a look at it as a regional development concept, is that the smaller the municipality, the less the funds for it to meet its share of the over-all expenditure. If hon. members would like to look at the figures they would find that in one place after another in Newfoundland amounts of $1,000 or $500 were spent, all small amounts with the possible exception of the city of St. John's. But essentially the weakness of the program was our inability to take advantage of it because of the failure on the part of the municipalities to find their share of the money.

It seems to me that when we talk of Newfoundland and of Atlantic Canada it is simple, easy and routine to get up and ask why we do not put more money into a project here or a project there, or to damn and criticize the government when it withdraws programs such as those I have mentioned. For Newfoundland and I suspect for all of Atlantic Canada—and it may be equally true in other non-urban regions of the country—the real necessity now is to examine all of the things that are being done, because in total they are most impressive.

As the throne speech suggests, Mr. Speaker, we must make some hard decisions both at this level and at the provincial level. We must examine the priorities that are available to us. Here again there is no better example of this than another of those emotion charged issues in which Newfoundlanders appear to delight. I refer to the decision to withdraw the Canadian National Railways passenger service in Newfoundland. I have to emphasize, as I have emphasized to some hon. gentlemen opposite, the necessity for me to avoid any flat-out or positive stand on this question, pending an appeal which may be made to the governor in council and in which I may have

to participate. But that does not prohibit me from dealing with the matter in a general way and from making certain observations.

As a Newfoundlander there is nothing I should like better than to see this passenger train retained, though not because it is of any particular use to me. I do not travel on the Newfoundland railway very often, no more, I suspect, than most hon. gentlemen opposite who make the welkin ring with their protests.

This is something that we in Newfoundland must face, Mr. Speaker, and I think this provides a good example. In fact, we must come to it in all Atlantic Canada, in all of the so-called have-not and depressed areas of this country. We must ask ourselves this question with regard to the railways. The subsidy for the railway passenger service at the moment is in the region of many hundreds of thousands of dollars annually. There is no question, even in the minds of those who wish to see the railway retained, that this subsidy or operating loss will go even higher. Therefore we have to ask ourselves whether, if this subsidy is going to be employed, is this the best way in which to spend it? Or, in light of current technological development and improvements in other modes of transport, is the railway an anachronism that we can no longer afford when our other requirements are taken into account?

In all of this, Mr. Speaker, I am qualifying what I say by emphasizing my own contention, which is well known to gentlemen opposite, that should it become a question of abandonment the personnel involved must be completely and totally protected. We should not permit them to become the victims of some technological change. But stated baldly, if it did come to a choice—and these choices are going to come to us more and more in the years ahead, and for a number of reasons—between seeing a federal expenditure of $1 million or more pumped annually into keeping the train going or taking that $1 million and using it perhaps somewhere within the jurisdiction of St. John's East for a good regional development program, then what would be the choice? That is the sort of question we have to decide.

This summer, Mr. Speaker, I travelled throughout part of my own riding on a coastal boat. We steamed 20 miles in one direction and 20 miles back in a fairly large coastal vessel to deliver one package to an isolated community.

Mr. McGrath: Hear, hear.

[Mr. Jamieson.]

Mr. Jamieson: My hon. friend applauds that. This is precisely what I mean and it is precisely why he has not seen this question in the right perspective. I say that because the several million dollars that annually go into the subsidization of coastal boats is money which might very well be better spent on the provision of more trunk roads, on the provision of more access routes to the trans-Canada highway, on opening up and providing our people with more mobility in isolated regions.

Hon. gentlemen who take this view will probably continue to argue against the abandonment of anything, adopting a kind of What we have we hold attitude whether it is good, bad or indifferent. But as long as that attitude persists and as long as we reject alternatives which can achieve the same purpose—better purposes, in fact—then we will not hear anything constructive from those who represent this province on the opposite side of the house. So as I say, Mr. Speaker, we have these choices to make.

Instead of having coastal boats of this sort and various heavily subsidized means of transportation, there is no doubt in my mind that we must look much harder than we have up to now, not only in Newfoundland but in many other places, at the process of centralization. It is very easy on a warm summer's afternoon to become ecstatic about the tranquil beauty of some isolated community and the rustic charm of some settlement which can be reached only by a pleasant ocean voyage over a calm sea. I am guilty of this kind of romanticizing myself, and indeed from time to time have been regretful of the pressures of modern society which appear, at least, to make this kind of livelihood no longer viable. However, it would be, and is in the case of some hon. members and others, the most shameful form of exploitation to suggest to residents of many of these isolated communities that in some way or other through government aid, and if we were big-hearted enough, we might provide them with the same level of amenities that society is now able to offer larger and more accessible areas. It simply cannot be done, Mr. Speaker.

• (12:50 p.m.)

When talking about Newfoundland we must abandon some popular notions. We must abandon the approach of going to 25, 30 or 40 families and saying to them, "You stay here; this is where you belong." Instead it might be well to remember an expression that is now widely acceptable, that is, that we "tell it like

it is." The fact of the matter is that the people in these Atlantic communities who supposedly are leading a tranquil existence, a pleasant life, and who are being uprooted and driven off into the industrial world have, or the great majority of them have, a sordid 100-year or more history of sadness, privation and even death which has resulted from their isolation.

Those who are against the present trend and who criticize government activity in this field are oblivious of the real facts. Within a matter of time the majority of these isolated communities will phase out of their own accord. When 7,000, 8,000 or 9,000 young people every year attend university, high school, vocational school or other centres of higher learning and when in Newfoundland, as in other parts of Canada, educational opportunities have become so greatly improved, one cannot blame our young people for not going back to the settlements from which they originated. It is only a matter of time before our communities phase themselves out. Even if we say to these people, "Stay, we will do all we can for you", and even if we encourage them to stay by providing what limited improvements are possible in the kinds of geographically isolated regions they live in, even then the drift toward centralization is irresistible. Instead of adopting this reactionary approach, Mr. Speaker, is it not more responsible to do everything possible to help our young people establish themselves and to bring them out of this isolation in a way that will ensure, at least, that they have a reasonable chance?

Where there have been failures—and I readily concede that there have been failures in some aspects of the centralization program —they have arisen because there has not been enough integration of the plan. Too vividly have we seen one side of the equation, the necessity to get them out, and we have not been sufficiently concerned with the sociological problems which have arisen. It is not enough to give a man a home or a few thousand dollars in order to move him to a more productive area. There are many other human problems of one kind or another which must be considered. In this regard I admit there have been difficulties.

On balance, the great majority of those who have moved under the centralization program are glad they did. I should like to take some of my colleagues on the opposition side who have different views and in their company talk to some of these people and ask them, "Do you want to go back?". I am reasonably certain that in the majority of cases the answer would be "No."

I realize that my time is coming to an end but I must say a word or two about a key element in any centralization program, the Newfoundland fishery. Once again, the charge of gross neglect in this field is not supported by the facts. As I said at the beginning of my remarks, the problem may arise from the fact that there has not been a sufficiently practical focus on the kind of assistance that has been given. Let me illustrate my remarks by saying something about what has taken place within the last year or two.

For example, at the present time some $4 million is being spent, during the present season alone, to ensure that the price paid to fresh-water fishermen is maintained at close to the average of the last three years. Another $2.2 million or $2.3 million has been spent by the fishery price support board to take off the market a surplus of 1967 salt cod in order to pave the way for this year's production.

I believe the hon. member for Gander-Twillingate (Mr. Lundrigan) during the question period this morning mentioned the Winspear report on productivity. That study is being undertaken by the fisheries department of the federal government. A substantial marketing survey is under way in the United States; it was asked for by the trade, supported by the government and participated in by the trade, and its purpose is to see what can be done to increase the consumption of fish in the United States. Under the aegis of the Atlantic Development Board various plants have been provided with fresh and salt water systems at very substantial cost. I saw one last week which cost in excess of $500,000. Since 1949 governments, regardless of the party in power, have contributed to similar developments in all parts of Canada. The total amount spent over a period of years is most impressive.

Mr. Lundrigan: Since it is almost one o'clock will the minister permit a question?

Mr. Jamieson: Yes, of course.

Mr. Lundrigan: The minister is tremendously eloquent. Regardless of partisan politics, would it not have been logical for any government to rethink its planning in the field of moving people? Would it not have been better to prepare new programs before abandoning old ones? That is the essence of my thinking.

Mr. Jamieson: I do not think so, Mr. Speaker. Because certain solutions appear to be at hand immediately and could be extended for another year, I think the necessity for recognizing existing problems would not be so great. Our attention would be distracted. That is one of the real difficulties we have encountered. For instance, we could always say, "Why worry—why not give them some more under the salt subsidy? Why not feed them with more pap?"

There is only one way to recognize our problems of regional disparity and that is to take off the band-aids, to reveal the naked wound and show the real nature of the disease. I will not agree with any member on the opposition side who says that we should abandon all our programs without providing substitutes. I think we must take action to substitute existing programs.

The tendency has been for us to continue doing as we have done in the past, and nothing illustrates my point more than a consideration of the salt subsidy over the last 15 years.

Mr. Speaker: Order, please. I must advise the hon. member that his time has expired.

Some hon. Members: Carry on.

Mr. Jamieson: I shall only talk for another minute or two. I believe we are on the right track in modernizing the Newfoundland fishery and instigating programs which are long range in their effects. That is the objective I have set for myself, and in that I am sure I have the enthusiastic support of this government.

Mr. Speaker: Pursuant to standing order 6(2) I do now leave the chair.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like first of all to thank you and to congratulate you on your appointment as Speaker of this house. You were chosen by the members unanimously because of your personal qualities which so well qualified you for such an important and difficult office.

This is the first time, Mr. Speaker, that I have the honour of sitting in this house, and I am therefore not familiar with the rules. However, I shall try to learn them and if I happen to break any of them by mistake, I beg you to excuse me and to show indulgence. I should also like to thank the Prime Minister (Mr. Trudeau) for his kind words of welcome to the new members, as I am one of them. I should like also to pay my respects to my devoted and dynamic leader, the worthy member for Temiscamingue (Mr. Caouette) whom I would call, like so many others, a great Canadian. He is a French Canadian who has not been afraid to firmly insist on the rights of the French element across Canada without interfering with the rights of others or destroying them.

[Mr. Lundrigan.]

Some hon. Members: Hear, hear.

Mr. Lambert (Bellechasse): I consider it a pleasure and an honour to belong to a Canadian political party whose leader is such a highly devoted man and who has the courage to foster the economic security of all through freedom.

I would also like to congratulate all the other members who have been re-elected or elected for the first time. However, I would be unfair to myself if I did not entertain a very special feeling for my colleagues of the Ralliement Créditiste who so valiantly deserved the trust of their fellow-citizens.

At the same time, I would like to congratulate and thank those entrusted with the legislative and parliamentary function who have achieved the present degree of parliamentary organization and efficiency. Even though perfection has not been attained and some may not be satisfied, there is an impression that, at least, we are not starting from zero. Already we are facing something that exists, that moves, that is organized and is improving and that is continually being completed, without ever reaching its final stage.

You will agree, Mr. Speaker, that beginning at the very early age of 16, as in my case, to farm the land and also becoming an orphan at the age of 11 and starting from nothing in almost all my undertakings, I have a very clear impression, on my election to the House of Commons, that truly something has been accomplished. I feel contented and happy, and I congratulate those who were here before.

But I do not come here without anything to my credit; something has happened in the past 40 years. I have always tried to understand why the people I came into contact with acted as they did. I learned first to get along pretty well with the members of my

family and now, for a long time, I have cultivated my land as well as my family and social relations. For 25 years, I have been the secretary of a municipality created with the help of my fellow-citizens, because the municipality I am talking about is relatively young, since it goes back only to the thirties. That municipality, which today is the pride of the riding of Lotbinière, is well organized, because the hard-working people who live there have cleared the land and settled on farms. I would say therefore that I have some experience of public life.

For the last 30 years or so, I have been taking part in all the activities of farm associations. I have followed with a great deal of regularity, in the public gallery, the proceedings of the legislature in my province. Therefore, I do not feel completely as a novice in the social and public life when coming here to Ottawa. I am happy to feel at home, to have a part to play and not to feel as if I had stolen somebody else's place when taking my seat as a member. I feel that I am here really as the choice of most of the voters in my riding who honoured me by selecting me over my opponents, and whom I would not want to disappoint during the term of my mandate in the Ottawa parliament.

• (2:40 p.m.)

I am here, Mr. Speaker because I have something to say, a representation to make, and maybe also something to defend. I do not want to be too severe but I do want to be explicit, frank and honest in asserting the rights of all the citizens of my riding, of my province, of other provinces, in a word, of Canada as a whole. In my opinion, it is life that counts the most in the "qualification" of persons with whom I am in contact. To live on a farm and having chosen to do so, one must love life.

Since redistribution, the new riding of Bellechasse includes, besides the provincial county of Bellechasse, a large part of Montmagny and the major part of Dorchester. It is a large riding where the people, who used to live exclusively of agriculture and lumbering, now earn their living, partly, by working for industries which have settled there.

The agricultural production of the riding of Bellechasse, which formerly was quite considerable, has also decreased, as everywhere else throughout the province of Quebec and Canada, precisely because agriculture is not profitable.

As far as existing industries are concerned —there are large ones, and small ones—the larger ones could still expand, and the Industrial Development Bank Act should of necessity be amended to allow loans to those industries, at lower interest rates, so that they might achieve their goal and expand for the benefit of the people who live in my area.

There are also smaller enterprises which have hired help. These are family undertakings, which can also develop but which, as it is, hire a certain number of workers who, for the better part, are farmers who work there to increase their income because their own farms do not bring in enough revenue.

There is talk, generally, and there has been for a long time, of industrial decentralization but not much is being done to achieve that objective. I feel that in order to achieve that industrial decentralization, interest must be developed at every government level, municipal, provincial and federal, amongst, the go-betweens, and also the people who live in that sector of society, in order to promote the development of the municipalities and to enable them to provide the services essential to the establishment and expansion of new industries.

It should also be realized that if we want to maintain a decent level of population in our rural areas, new industries will have to offer employment to the local manpower, in addition to farm labour. If this objective could be achieved, we could hope to see an interesting level of population, the construction of new family dwellings, on condition, obviously that it be found possible to offer rural areas the advantage of a housing loan policy that would encourage the construction of real family dwellings, buildings in which not only modern machines could be housed, but also little Canadians, so that those spouses who still want children are enabled to house them properly.

Mr. Speaker, we also have in our areas, in my riding, as in other ridings in Quebec, many abandoned farms.

The farmers had to abandon them because their income did not allow them to live there. If you go through those parishes, you see many farms which used to be the pride of our people, of our province. However, today, when you see them, you wonder what happened to bring about such a situation in such a great and beautiful country where there is still so much to do.

Mr. Speaker, those people who, for the most part, cannot offer their services to industry because they are not qualified have

become social welfare recipients. It is not good for our country when too many able-bodied people cannot do their share to build our country and to increase productivity in order to wage an effective war on poverty about which so much is said in the Speech from the Throne.

We will also have to work seriously to give our children, who will soon leave schools with a vocational or industrial training, a job enabling them to put into practice the science which they strived to acquire during all those years we kept them in school. People complain that education is expensive but, if so, it is one more reason why we should do something without delay so that these youngsters whom we are preparing for the future will not be discouraged, after having left school, when applying for a job. The first question put to a student seeking a job is: Have you a diploma? When he answers, yes, I have; here it is, he is asked a supplementary question: Have you any experience? But as he had always gone to school in order to get his diploma, he was not able to work and get experience, of necessity he had to answer no. And when he said: No, I have no experience, he was told: It is just too bad, but I cannot hire you because you have no experience.

Mr. Speaker, I mention those cases because they have occurred frequently in the last few months. Indeed, I have witnessed such dramatic situations and our children find them discouraging, because they are led to believe that a diploma some training or other, would enable them to earn a living and get ahead as easily as one drives a car on the highway.

Mr. Speaker, attempts were made, perhaps involuntarily, to lead all our young people to believe that diplomas would be sufficient to earn a living and to make their way up into society but, then our children discover that this is not enough, and they blame the adults for not telling them the whole truth.

Mr. Speaker, I see that my time is quickly running out. There are so many things to explain so that the house may improve the economic situation of the eastern part of our province. I am not the only one to have witnessed that situation and to have seen such things as I described to you.

During the conference of premiers which I followed on television—I heard one of the premiers of the eastern provinces say at one time: Yes, it is true that there is a constitutional problem in our country, but there is an even more serious problem, the economic problem.

Some hon. Members: Hear, hear.

[Mr. Lambert (Bellechasse).]

• (2:50 p.m.)

Mr. Lambert (Bellechasse): He then described our country. When we speak of a united Canada, united culturally and in our common efforts to develop and expand the country, I am entirely in agreement. But the provincial premier said that Canada is divided into two sectors, one rich and the other economically weak.

Mr. Speaker, I belong to the latter. I happen to represent a part of this economically weak sector, and I would like to make my contribution and to co-operate, working hand in hand with my colleagues. By co-operating with the government, we will find effective solutions which will give results. The people will then no longer think that we only come here to pass the time, without any intention of producing results.

Mr. Speaker, there is an exceedingly serious problem in the field of agriculture which is in urgent need of a solution, or else it will play us a nasty trick.

There is now some talk of importing certain products which people need to feed themselves. Unfortunately, in my opinion, if we keep on the course that we already have taken, it will not be long before we shall have to import more of those products.

When a country has to turn to others for its own subsistence, then it loses its freedom.

Farmers in the province of Quebec are said to be inefficient, unable to plan their production, unable to set the course of their business. Those same charges were made from 1930 to 1939, when the prices of farm products were at their lowest. Farmers indeed were being discouraged because they were unable to earn adequate revenues.

Of course, production dwindled, and that was normal. When a businessman, or a manufacturer is not in a position to make some profit, he becomes disheartened and is compelled to give up.

However, Mr. Speaker, this was not the truth. What was true is this: in 1939, when war broke out, we called on our farmers to do their war effort. Intensive production committees were set up in every community. I was the chairman of one of those committees, and I used to hold informal meetings with local farmers to incite them to produce more butter, cheese, eggs and various meats. We succeeded in increasing the production of those goods by offering the farmers higher prices, as well as the possibility, the hope of at least earning their livelihood.

One or two sons were taken away from them, Mr. Speaker, for military training.

Eastern Canadian farmers, Quebec farmers, proved their efficiency, since they answered the call of their government, of their country, and generously made their war effort.

Mr. Speaker, this prosperous situation enjoyed by the farmers in the post-war years continued until about the 50's when the marketing of our products was adequate enough. However, since 1951, according to the Dominion Bureau of Statistics, the farming conditions of Quebec farmers have deteriorated from year to year. They did to such an extent that, in 1968, according to some D.B.S. figures published in *La Terre de Chez Nous*, a weekly publication of the province of Quebec, it is shown that the net income of Quebec farmers, calculated on constant dollars, has decreased since 1951 in spite of a remarkable increase in productivity. In fact it has almost tripled. Therefore, the net farm income per unit which amounted to $1940 in 1951 had decreased in 1967 to $1684 constant dollars.

Note that these figures include the farmer's remuneration for his work, his administration, as well as for his net investment in his farm, that is more than $2,500 in 1967. This net property, capitalized at 5 per cent, would alone absorb more than $1,250 per year, which leaves barely $434 per farm in Quebec as working and management income.

Mr. Speaker, the disastrous situation of the farmer in eastern Quebec, stems from something, and one of the main causes lies in that the products used by farmers have increased, by 60 per cent from 1951 to 1967 while the price of agricultural produce has increased by only 17 per cent.

What is worse is that, in the meantime, the cost of living in eastern Canada kept going up to such an extent that at the end of 1967, it was one third higher than in 1957.

Mr. Speaker, some people complain sometimes because the farmers want more for their products, and when they make representations to get higher prices, some uninformed people might think that they are going too far.

So that producers and consumers can agree once and for all, they should stop accusing each other and quarrelling and try to rectify the situation.

I have here a small half pint container of cream, with 18 per cent fat, which I bought in Ottawa this week. I paid 34 cents for it and the producer—and I am happy to say publicly to that I am one—gets only a small fraction of that amount. On the other hand, the manufacturer of the container, the printer, and the selling companies get more for the container and its handling than the value of the contents paid to producers, but the consumer is unaware of that. We do not have the support of the consumer when we want to assert, in an honest way, the legitimate rights of the farmer or the producer.

The situation is the same for soft drinks. Mr. Speaker, has it ever occurred to people that 40 ounces sell for 50 cents, if we consider that an 8 ounce bottle costs 10 cents. At the present price of milk, farmers and producers of manufacturing milk, receive approximately $4.80 a hundredweight which represents 12 cents a quart. Imagine; 12 cents for 40 ounces of milk. However, one must pay 50 cents for 40 ounces of soft drinks.

I am interested in the consumer because I have children, I am myself a consumer. I tell you that we must do something for him in a common effort to establish a just society.

• (3:00 p.m.)

I am referring again to the establishment of a just society, of the just society, just for everyone including the small wage-earner. Mr. Speaker, I live among the poor people, I have always lived among those who have to work, on account of their circumstances. Therefore, I can tell you this: Today, I know all those problems, I am here the spokesman of the poor people, but I do not know what it is to work with you all, so that in the light of the requirements of each and everyone, we could do something.

Mr. Speaker, has the farmer any rights or has he only obligations in Canada? What are the obligations of the farmers, what are the obligations of the agricultural class? They are to cut down the trees in the forest, in an effort to make a farm out of it. This has always been done in Canada: My forefathers and yours did it. Before the building in which we are gathered was erected, there were but trees on this site. They are men like the one who is speaking to you, as many others in Canada, who have worked manually to fell forests and tried to make the Canadian soil fertile in order to feed mankind. Such is the nature of the obligation, such is our duty, Mr. Speaker, and I believe that we have rather creditably discharged it. Even when it is not profitable, cows are milked, crops are reaped and stored in order to keep them and make them available to Canadian citizens.

Mr. Speaker, this is our responsibility. Those are our obligations to the community, but I consider that there is never any obligation and responsibility without corresponding

rights. And the right for the farming class is that of a vital minimum; it is the right of a farmer to have an income enabling him to earn honourably his family's living. The farmer has a right to have enough revenue to pay for public services, like everyone else. They ask no special favours. If, two weeks from now, it should cost 6 cents to mail a letter, the farmer will pay 6 cents. If it costs $3 to get a tooth fixed, the farmer will pay $3. We are glad to pay the price, but in order to be able to meet the prices asked left and right, we have to have enough money. The farmer has a right to it, and that is why I am asking today whether something could be done about this. I am expressing myself as best I can, with the vocabulary at my disposal—for society did not give me much, and I do not have much of a university education, but at least I tried to get an understanding of the French language and arithmetic. If something could be done about this problem, it would help my fellow-citizens and perhaps my own family.

Mr. Speaker, I ask for the support of all parties in this house to try to get some justice, not ten or twenty years from now, but as soon as possible, within a few months, so that the dairy farmers, the producers of manufacturing milk, may get at least a guaranteed price of $5.50 a hundredweight. That is not going to ruin anybody. Mr. Speaker—

Mr. Speaker: Order. Since we live in a just society, I think it would be unfair towards this house if I did not tell the hon. member that the time allotted to him has expired. Unless he obtains the unanimous consent of the house, I cannot allow him to continue.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimous consent, I must recognize the hon. member for Hamilton West.

[*English*]

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I wish to thank you for giving me this opportunity of speaking to this first session of the twenty eighth parliament as the representative for Hamilton West. To me this is a privilege and an honour which I shall long remember because it is at this time that I feel a sense of involvement and belonging.

I begin by congratulating you, sir, on your election as Speaker and informing you that there can be no doubt in my mind, after listening to the many plaudits extended to you, that we shall continue to be directed by your excellent guidance and leadership. My congratulations are also extended to the Deputy Speaker, whose ability has been recognized. I, as well as many others, particularly those sitting in this house for the first time, have been very impressed with the way you have been discharging your responsibilities, being knowledgeable, impartial and giving evidence of your wit.

My sincerest congratulations are extended to the hon. member for Madawaska-Victoria (Mr. Corbin) and the hon. member for Kamloops-Cariboo (Mr. Marchand), both of whom, because of their seriousness of thought and ability to communicate, have gained the respect and admiration of this entire house.

I would also like to bring to your attention, sir, that at this moment I am very conscious of a meeting that I had in Toronto some time in 1964 with the right hon. member for Prince Albert (Mr. Diefenbaker). It was there and then that he, in his wisdom and experience, believed that I should be engaged in politics as a candidate because, as he stated, he had faith and confidence in my ability and believed that I could and would make a contribution toward the ultimate destiny of Canada. For this I am extremely grateful.

Some hon. Members: Hear, hear.

Mr. Alexander: I am also pleased to say that fortunately the electorate of Hamilton West were of the same opinion, and because of this faith and confidence, as expressed in many ways prior to the last general election, I now speak as the hon. member for Hamilton West. My gratitude is also extended to a former hon. member, Mr. Joseph Macaluso, who in his wisdom has helped me tremendously to be here this afternoon.

Some hon. Members: Hear, hear.

Mr. Alexander: Mr. Speaker, there are no words that can adequately express my thanks and those of my family for this great honour. Therefore I can only say with deep sincerity and conviction that I am profoundly grateful for this unprecedented honour and I shall do my utmost to become a worthy member of parliament under the leadership of the Leader of the Opposition (Mr. Stanfield), who has continually encouraged and counselled me, and the guidance of many hon. members on both sides of this house who have expressed an interest in my political career, sanctioned, I fervently pray, by Him without whom all goals are unattainable.

I am privileged to say that I was born in Ontario, the province of opportunity, the province to which many people in Canada look for leadership because it has progressed so dynamically, welcoming all peoples, regardless of race, creed or colour, desirous of contributing to its phenomenal growth and sharing its wealth and the good life. Within that province is the city in which I live, the city that has adopted me and propelled me with jet-like propulsion to the House of Commons.

In view of the time allotted to me, and because I would like to make some observations on other matters, I cannot recite a complete and adequate picture of the city of Hamilton, or in fact my riding of Hamilton West, one of four in the city that escaped Trudeaumania, much to the disbelief and bewilderment of the Grits. In any event, I find it necessary to speak about some of the important points of Hamilton because, as I understand it, a member is likely not to have another opportunity.

I would like to commence by pointing out to you, Mr. Speaker, and hon. members that Hamilton had another first in the person of Hon. Ellen Fairclough, Canada's first woman cabinet member, who no doubt is warmly remembered by many hon. members because of her outstanding contribution to this house.

Some hon. Members: Hear, hear.

Mr. Alexander: To her I owe much, and I shall continue to rely on her wisdom and experience.

This city of almost 300,000 in population is the steel centre of Canada, producing more than one half of Canada's steel. It is interesting to note that iron and steel industry sales all across Canada make up approximately 2.7 per cent of the gross national product, therefore being even greater than wheat which is 1.7 per cent.

• (3:10 p.m.)

Because of the importance of this industry to our economy, Canada's principal basic steel producers, among which the Hamilton steel industry plays an important role, are of course very interested in the new anti-dumping code agreed to by Canada in the recent General Agreement of Tariffs and Trade. Mr. Speaker, you will recall that something was said on this subject this morning. Industry regards dumping as a serious problem and is justifiably concerned about the potential loss of domestic markets to foreign competition at dump prices arising from Canada's acceptance of article VI of the General Agreement on Tariffs and Trade.

Industry recognizes that competition on a fair trade basis is customary and of course challenging. However, competition at less than fair market value is disturbing and cannot be considered fair. In fact it may result in irreparable damage to the domestic industry and to the economy. It is suggested that the onus of preventing undue disruption from dumping into the domestic market rests completely on the importing country. Therefore I strongly urge that the government be very aware of the dangers of dumping, and in enacting any laws to bring the anti-dumping agreement into effect deep consideration and attention should be given to the scope of the legislation and the form of administration of the law because Hamilton, and indeed Canada, neither want nor can afford harmful effects on the economy.

Although steel plays a great role in the life of Hamilton, the manufacturing of machinery, electrical goods, rubber, chemicals and textiles also mean a livelihood for many Hamiltonians. Hamilton can further boast of the port of Hamilton which has a 10-mile waterfront providing three miles of berthing space. It is a port of call for 50 shipping lines and it has agencies with services to and from 100 world ports. Present trends suggest that the port will become an increasingly important seaport gateway through which an ever-growing volume of exports and imports will be shipped, thereby allowing it to continue to break records in terms of tonnage moved. In this connection may I remind the Minister of Labour (Mr. Mackasey) that notwithstanding the fact that in a democracy one can expect strikes, Hamilton would take issue with him in the event there was a prolonged strike in this area.

One cannot speak of Hamilton without reference to McMaster University, my alma mater, which has attracted and continues to attract students from all over the world who seek excellence in graduate and post-graduate studies. It is worth while mentioning that Hamilton's rock garden because of its floral display has received international acclaim. May I also point out, if anyone is in doubt, that Hamilton still has faith in the Hamilton Tiger Cats football team.

The city of Hamilton is progressing with an urban renewal program including a civic square, and Hamiltonians continue to expect, and in fact deserve, immediate, decisive and

continued government leadership in that regard.

Of some concern to Hamilton at the present time are its plans for a cultural centre—the Hamilton theatre auditorium. Toward this end may I say that the people of Hamilton have made and met their financial commitments; the province of Ontario has made and is prepared to honour its commitment, and we now look to this government to become involved pursuant to the many requests made upon it so that a firm and early commitment may be expected. It is hoped that the government is as enthusiastic about receiving briefs and submissions on this project as are the Hamiltonians in presenting them.

Hamilton is no different from any other large city. Of course it has its urban problems. Hamiltonians also are very concerned about housing, unemployment, inflation, air and water pollution, lack of mortgage moneys, high interest rates, and lack of serviced land. These are the areas to which priority should be directed.

Hamiltonians, and indeed all Canadians, believed that the Speech from the Throne would indicate solutions to these problems with greater clarity as related to the just society, a phrase without definition and an election slogan that has frustrated and confused many. Canadians want solutions to the many social and economic problems which burden this nation. They want them now, and they will not be satisfied with tokenism and expression of intentions for the future.

It is not unreasonable to conclude that because the Prime Minister spoke of the just society on the hustings and said, "follow me, give me a majority", Canadians had the right to expect and believe that this government would present to them a dynamic, inspiring and moving political manifesto in the speech from the throne. I can remember the arrival of the Prime Minister in Hamilton and I can remember reading about him and his smile when he said "follow me" and they walked. Then he became famous for that which many of us younger ones would want to be famous and for which we feel some jealousy. The women said, "where do we go?" He said, "follow me", and they walked.

Now it is implied that the government did not have to give this country leadership or direction in the speech from the throne. Apparently, in the mind of the government, this conclusion was unreasonable on the part of the people and reached without justification, much to the dismay and disappointment of many Canadians. I too am disappointed and in total disagreement with the utterances of many political experts who believe that it is inevitable that the speech from the throne should be dull, uninspiring and empty. Such speeches are not and never will be accepted. This is 1968, the jet propelled age and not the days of the horse and buggy.

As a result of their disappointment, Canadians have changed. I say that sincerely. They are no longer uninformed, naïve and gullible. At this time an expression comes to my mind which was continually referred to by the late Dr. Martin Luther King in speeches in which he quoted the ungrammatical truths of an old preacher among which was the following; "We ain't what we oughta be, we ain't what we could be, we ain't what we should be, but thank God we ain't what we was." I say to the government: take heed and wake up before it is too late.

Mr. Speaker, since coming to this house I have become more and more aware of the tremendous responsibilities of a member of parliament. He must grapple conscientiously and diligently with the many problems which face this nation. He must find with expediency the solutions to them. He must be concerned about the quality of life being experienced by all Canadians. He must create with enthusiasm and confidence a climate of proper direction to ensure the realization of our ultimate goal, that of a greater Canada in which we can all pray, live, work and play harmoniously while enjoying the fruits of full economic development. To these ends I dedicate my strength and my abilities and in this dedication my thoughts are directed toward many people in Canada about whom I and my constituents in Hamilton West are concerned.

We are concerned about the fact that four million people live in poverty. We are concerned about the fact that the dream of owning one's home has apparently become an impossible dream under this administration. We are concerned about the fact that unemployment is at the unwarranted high level of more than 400,000. We are concerned about the reliance on welfare by many. We are concerned about the fact that because of inflation the pensioners, the aged, the disabled and those on fixed incomes have very little purchasing power.

• (3:20 p.m.)

Does this government have the solutions to these basic problems that face this nation? If

they have let them kindly advise the country, because the country is waiting for the answers. I say to this government, this is the time to show greater evidence of its concern. This is unquestionably a time for reassessment, a time for awakening. This is a time for reflection on the past only to better enable us to determine the guide lines and direction that positive action for the immediate future must take, particularly in relation to economic development, research and technology. We would then be in a more favourable position to solve these problems.

It seems to me that in a just society it should be the continuing responsibility of this government to be constantly aware of and concerned about the degree of the quality of life that each and every Canadian is experiencing. If there is any disparity, no matter how little, then the government should immediately set itself to reducing it, thereby assuring that each and every individual can live a full productive life and become in fact an essential part of the mainstream of Canadian life for the betterment of all Canadians.

I should like to move now, Mr. Speaker, to another topic. I am the first black man elected to the House of Commons. This results from the fact that many Hamiltonians have accepted as a way of life a simple truism expressed by Adele Florence Corey long ago. She said that men should be judged not by the colour of their skin nor by the way they fight, love or sin, nor by the gods they serve or vintage they drink, but by the quality of thoughts they think. How simple that statement is, but how unacceptable to many. Yet, if this way of life is not accepted, speak not to me of the Bill of Rights; speak not to me of democracy; speak not to me of the brotherhood of man or the fatherhood of God, because this then becomes hypocrisy. The black man also desires a place in the mainstream of life and because of this we read of his struggle, and struggle he must.

Listen to what Frederick Douglas, that great abolitionist, said back in 1857 about struggle. He said:

> The whole history of the progress of human liberty shows that all concessions yet made to her august claims have been born of earnest struggle. If there is no struggle, there is no progress. Those who profess freedom yet deprecate struggle are men who want crops without ploughing up the ground; they want rain without thunder and lightning. Power concedes nothing without a demand.

I look at the government.

> It never did and it never will. Men may not get all they pay for in this world, but they must certainly pay for all they get.

The negro has to struggle. Some say I have it made. Let me, standing here, be no indication that all negroes in Canada have it made. Let me say this: the negro has awakened with a new soul. He knows he is somebody. He is Thurgoode Marshall, Supreme Court Justice; he is Dr. Ralph Bunche, diplomat extraordinaire. He is Carl Stokes, mayor of Cleveland. He is Dr. Martin Luther King, whose passive resistance movement has changed the nature of the thinking of the whole free world. He is Leonard Braithwaite who, even though a Liberal, sits at Queens Park in Toronto. He is the high commissioners and ambassadors we see here in Ottawa.

This is an impressive list, I know, but I wonder how many men of such calibre we have lost because of the deliberate rejection of people because of colour? I am not the spokesman for the negro; that honour has not been given to me. Do not let me ever give anyone that impression. However, I want the record to show that I accept the responsibility for speaking for him and all others in this great nation who feel that they are the subjects of discrimination because of race, creed or colour.

In conclusion, Mr. Speaker, I would say that our role in the building of the "just society", if it is to become a reality, is that we as parliamentarians must be involved with the hopes, the fears, the disappointments, legitimate aspirations and despair of each and every Canadian, ever mindful that involvement demands commitment in terms of actions and deeds, rather than words only.

[*Translation*]

Mr. Stanley Haidasz (Parliamentary Secretary to the Minister of Consumer and Corporate Affairs): Mr. Speaker, in rising to take part in the debate on the address in reply to the Speech from the Throne of the first session of this parliament, I am eager to congratulate you on your re-election as Speaker of the house and to wish you every success in the performance of your heavy duties.

I also wish to congratulate the Deputy Speaker and the Deputy Chairman of committees (Messrs. Faulkner and Béchard) on their appointment.

I wish to add as well my congratulations to those that have already been made to the hon.

member for Madawaska-Victoria (Mr. Corbin), who has been chosen to move the address in reply to the Speech from the Throne. The depth of his thoughts and the enthusiasm with which he expressed them assure us that he will bring a worthy contribution to the house proceedings.

I also want to congratulate the member for Kamloops-Caribou (Mr. Marchand), the first member of Indian origin to sit in this house and the mover of the address in reply. I salute his arrival in the house, as I salute that of the member who has just finished his speech. His presence in this house, as well as his special knowledge, will no doubt help us to better understand the problems of the minorities of Canada.

Mr. Speaker, I take great pleasure in joining my colleagues and my electors in congratulating the right honourable Prime Minister on his victory and that of the Liberal party in the general election of June 25. His wish for a just society, as well as the devotion and the courage with which he pursues that goal, is welcomed with great satisfaction and enthusiasm by my electors and, doubtless by all the citizens of Canada. I am particularly pleased to hear his statements and especially to read in the Speech from the Throne that constitutional reforms are the best guarantee of Canadian unity.

Our most important duty during this parliament is to strengthen national unity. Moreover, the Canadian charter of human rights must ensure to all our citizens the protection of fundamental liberties.

I wish also to thank the right hon. Prime Minister for the honour he extended to me by calling me to the office of Parliamentary Secretary to the Minister of Consumer and Corporate Affairs (Mr. Basford). I shall endeavour to fulfil my duties to the best of my abilities and I may add that I am very pleased to try and help the ministers, all the members and the Canadian people at this critical hour.

With the experience he has, the minister quite obviously understands the daily problems of Canadians and judging by the manner I have seen this department work since it has been his responsibility, I am convinced that the Canadian consumers are already being helped and will be helped further in the future.

Mr. Speaker, in the discharge of my duties, I want also to express my gratitude to the electors of Parkdale for having elected me as their representative in this house. I hope that I will, at all times, serve loyally and devotedly my constituents and my fellow-citizens.

Parkdale constituency, which is situated in the southwest area of Toronto, is almost a miniature replica of a cosmopolitan centre. Besides the Anglo-Saxon and French-Canadian groups, almost all other ethnic groups live there. As was the case for many of our ancestors, many of my constituents immigrated here to start a new life. Some came with a spirit of adventure; others were in quest of freedom. Coming to Canada in large numbers, thanks to a judicious immigration policy of the Liberal party, they have found freedom and a better life in this country. They are proud of the traditions of our country and anxious to participate in its development. A great many of them have contributed to a large extent to our economy as labourers, teachers, doctors, lawyers, engineers, missionaries, artists, etc.

During May last, the right honourable Prime Minister honoured us by presiding at a ceremony and unveiling a monument, in Toronto, commemorating Sir Casimir Stanislas Gzowski, one of the first Polish immigrants that settled in Toronto. On account of his services to Canada as an engineer and a statesman, he was knighted by Queen Victoria, in 1890.

Mr. Speaker, the immigrants constitute an invaluable asset for the future of Canada. The great amount of respect shown by my constituents toward our free and democratic way of life is very enlightening. They are firmly decided not to lose the freedom they have found in this country. Hence, they have an uncompromising desire to help those nations that have lost their freedom.

• (3:30 p.m.)

[*English*]

Among my constituents who, especially at this time, have demonstrated, and rightly so, a grave concern for freedom and basic human rights, a concern shared, I hope, by all Canadians, are those of Czech and Slovak origins. The aborting of the long awaited liberalization process in Czechoslovakia by the Soviet led invasion of that unfortunate country on August 20 shocked our citizens and indeed the people of the free world as well as many citizens in countries behind the iron curtain. This blow to freedom has marred the world's celebration of human rights year. The General Assembly of the United Nations

declared 1968 human rights year to commemorate the 20th anniversary of the declaration of human rights. I am sure we would all like to express the hope, Mr. Speaker, that before the end of this unfortunate year basic freedoms and human rights will be returned to the people of Czechoslovakia.

While attending the international congress of gastroenterology held in Prague in mid-July of this year I had the opportunity of not only visiting and admiring the 1,000 year old historical evidence of Christianity and western civilization, but also the privilege of meeting and speaking with people from all walks of life in that geographically small but rich and beautiful country of Czechoslovakia.

It was evident that Czechs and Slovaks awaited with a curious and patient expectation the beginnings of basic freedoms and human rights, and yearned for an economic growth that would benefit the common working man. But their hopes were short lived. On August 20 the cold harshness of the imperialistic designs of a totalitarian state extinguished the fire of freedom in Czechoslovakia. I believe, however, that the intense desire of the defiant people of that country to be free to determine their own destiny will never be extinguished.

The Canadian government, both at home and abroad, protested against the invasion of Czechoslovakia. At the United Nations Security Council emergency session the distinguished and able Canadian representative immediately voiced Canada's protest by co-sponsoring a resolution condemning the Soviet intervention, and then initiated a second resolution which sought to ensure the release and safety of the leaders of Czechoslovakia. In Ottawa, following an emergency session of cabinet, the Secretary of State for External Affairs (Mr. Sharp) stated unequivocally Canada's protest and voiced our indignation.

In Toronto at a public protest rally, I read on behalf of the Secretary of State for External Affairs a special message which condemned the Soviet led invasion of Czechoslovakia. The message also stated that the Canadian government had unequivocally condemned this use of force and called for the immediate end of the Soviet occupation.

By its actions the U.S.S.R. had chosen brutally to ignore the most basic principle of international law and two of the cardinal principles of the United Nations charter; that of the sovereign equality of states, and the obligation that states must refrain in their international relations from the use of force against the territorial integrity or political independence of another state. The Canadian government has been in the forefront of the efforts at the United Nations to aid the people of Czechoslovakia. Canada does not condone the occupation of Czechoslovakia nor the illegal and unjustified intervention of the U.S.S.R.

The special message of the Secretary of State for External Affairs also stated that an agreement reached under duress resulting from military occupation and this mode of resolving difficulties between states is completely repugnant to the Canadian government. In addition, Mr. Speaker, the Canadian government showed its compassion in dealing with the consequences of the Czechoslovak tragedy. Already Canada has offered a new home and emergency financial assistance to the nearly 500 refugees from Czechoslovakia. This is an enviable record which I do not think has been surpassed to this date by any other government outside Vienna. It is to the credit of the Minister of Manpower and Immigration (Mr. MacEachen), with the co-operation of his cabinet colleagues and the efficient work of his officials, that Canada has provided such humanitarian treatment to these refugees.

May I encourage the minister to continue his efforts and also suggest to him that he add to the special Canadian team recently sent to Vienna more departmental officials and also representatives from Czech and Slovak national organizations in Canada. Such a move, I believe, is desirable in view of yesterday's Reuters press report from Munich that according to the international rescue committee there are more than 30,000 refugees from Czechoslovakia homeless in various parts of western Europe.

I believe many Canadians are impatiently awaiting the forthcoming session of the general assembly of the United Nations. Perhaps many people are hoping for too much, but, Mr. Speaker, despite its weaknesses, the United Nations is still the best instrument for peace and justice that the world today possesses. In the meantime, Canada should work toward the establishment of an impartial and effective international control agency. Such a body should be empowered to preserve peace and justice by controlling the proliferation of nuclear weapons, negotiating peaceful disputes, advancing human rights and supporting economic development.

• (3:40 p.m.)

As the representative of Parkdale I also have deep concern for my constituents who, at the same time, are citizens of the great municipality of metropolitan Toronto. This great city was the first community in the western hemisphere to give political recognition to the metropolitan form of government, which was created by the demands of modern, industrial society. Metropolitan Toronto was legally established in April, 1953, by an act of the Ontario Legislature.

Toronto plays an important role in the development of our entire country, and not just in the development of Ontario. This great municipality, with a population of 1,900,000 persons—the population increases by about 60,000 persons each year—soon will contain nearly 10 per cent of all Canada. A great industrial and educational centre, Toronto is also a major port in the St. Lawrence seaway system; through the port are forwarded domestic and foreign cargoes to almost all parts of the North American continent as well as to many overseas countries.

During this long, hot summer I, with several Liberal colleagues of this house, attended meetings of the city of Toronto redevelopment advisory council, as well as meetings of other public agencies and officials concerning the great redevelopment plan of Toronto's downtown core, the Toronto harbour and the new 50 mile long waterfront, including a new and bold concept for the Canadian National Exhibition grounds. On September 10 the Toronto planning board approved an official and complete 15 year development plan, during which time metropolitan Toronto's population is expected to grow to 3 million people.

Toronto's redevelopment plan includes matters under federal jurisdiction such as transportation, new airports, extended harbour facilities, a post office in central downtown, a radio and television broadcasting centre, a new waterfront and, as I mentioned before, large grounds for the Canadian National Exhibition.

I am happy to see the Postmaster General (Mr. Kierans) in his seat this afternoon, and I extend to him an invitation to visit Toronto as soon as possible, to see the operations of the central post office. He might also wish to learn of the plan the Toronto planning board has for the relocation of the central post office. At the same time I extend a similar invitation to all other cabinet ministers whose departments have a bearing on this redevelopment plan. It is definitely in the national interest to utilize all our technical know-how and financial resources in order to carry out these redevelopment plans. The people of Toronto need and demand swift action. Federal and provincial co-operation with Toronto officials on these matters will stimulate a great sector of the Canadian economy, provide thousands of new jobs and eventually increase our national revenue.

I submit that further provincial and federal initiatives are indispensible to the improvement of the quality of life in our sprawling urban centres. The problems of slums, poverty, disease, delinquency, crime, inadequate housing, air pollution, contaminated water and traffic congestion will choke our cities and paralyze the entire Canadian economy unless all levels of government plan and act more quickly. All our urban problems which have national implications must be examined thoroughly. The influence of modern environment on Canadian citizens is a major and urgent national issue. In order to cope with these and other environmental problems I suggest to the federal government that we establish a special department of urban and environmental affairs.

In conclusion, Mr. Speaker, I should like to say that the government's legislative program has an underlying basic philosophy and an appreciation of the right priorities. It will satisfy many needs and provide better living conditions in our present, complex, modern society. I support and have confidence in this legislative program which, I submit, merits favourable consideration by members on both sides of the house.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, it is with pleasure that I rise to participate in this debate. My first words will be to congratulate you, sir, on your elevation to the position of Speaker of this house, a position which I know from experience you will fill with dignity and fairness to all members in all parts of this house. I also wish at this time to congratulate a fellow Nova Scotian on his promotion to the position of Clerk of the House. This is an important post and I hope that the trend in this house toward higher positions for Nova Scotians will continue in future.

Following a time honoured custom, I wish to congratulate the mover, the hon. member for Madawaska-Victoria (Mr. Corbin), and the seconder, the hon. member for Kamloops-Cariboo (Mr. Marchand) of the address in reply to the speech from the throne. They

expressed their views with clarity and sincerity in a manner which honours the constituencies that elected them to this house.

Time will not permit me to extend individual congratulations to the Prime Minister, the Deputy Speaker, the Deputy Chairman of Committees and all members of the new cabinet, among whom are some old friends. I wish them all good health in the carrying out of their important and heavy responsibilities to the Canadian people.

This morning I listened with interest to the hon. member for Burin-Burgeo (Mr. Jamieson). I regret that he cannot be in his seat this afternoon. In his remarks he did his best to explain away the removal of the salt fish subsidy to our fishing industry as well as the removal of the winter works program and other programs. In the minister's words, these were only "band aids" which were being removed to let the government take a closer look at the depth of the wound. Without being partisan or political, Mr. Speaker, I have a tendency to agree with the views expressed by the hon. member for Gander-Twillingate (Mr. Lundrigan) who asked the minister this morning why these programs are being removed before something better is put in their place. To put the matter in the words of a member representing an Atlantic region, "We don't like to take away a man's lifebuoy before we have him safely in the lifeboat."

Though this is not the first time I have spoken in this chamber I feel honoured to speak as the first federal representative of the new federal constituency in Nova Scotia known as South Shore. It is a large riding which covers an area from West Dover in Halifax county, through Lunenburg, Queens and Shelburne counties to Clyde River. It contains such famous beauty spots as Peggy's Cove, St. Margaret's Bay, Chester and Mahone Bay—which is famous for the legend of the ghost ship *Teaser* and the island in which Captain Kidd reputedly put his buried treasure—the beautiful town of Lunenburg, home of the deep sea fishing fleet and of the *Bluenose* whose famous skipper, Captain Angus Walters, last month departed on his last voyage. Lunenburg also is the home of the replica of the *Bounty*, and contains the floating museum, the LaHave River which was first settled by the French, the beautiful town of Bridgewater, the privateer town of Liverpool which is the home of Thomas Raddall, the writer, the fishing towns of Lockeport and Shelburne, home of the Empire Loyalists, a section of Kejimkujik national park, and many picturesque fishing villages too numerous to mention. Truly, the South Shore is one of the most storied and picturesque ridings in all of Canada.

The people in the riding are strongly independent and derive their living from many sources. Some are engaged in the development of our primary industries such as fishing, farming and lumbering; others are employed in ancillary industries such as shipbuilding, ship repairing, foundries, the manufacture of fishing nets, fish processing plants, tree farming and the manufacture of hardboard and newsprint, to name but a few.

• (3:50 p.m.)

These industries are today, for the most part, facing the same problems as those which trouble other industries throughout Canada, namely, their costs of production are excessive and there are insufficient markets where their products can be sold at a profit. This applies to our newsprint industry, our agricultural industry and our fishing industry. As a result of our inability to compete in foreign markets we find unemployment levels increasing, and many of our people are gravely concerned about their future.

It was for these reasons that the people in my riding and throughout Nova Scotia looked forward to the reading of the speech from the throne, which they hoped would contain details of the promise made by the Prime Minister (Mr. Trudeau) when he spoke in Yarmouth, Nova Scotia. According to the headlines appearing in the Halifax *Chronicle-Herald* of May 31 the right hon. gentleman, who is now Prime Minister, stated that a new multi-million dollar ferry service would be established across the bay of Fundy between Digby and Saint John. The new vessel is to cost $7 million, and docking and other facilities another $10 million; the new freight, auto and passenger service, he said, would handle all the freight demands of southwestern Nova Scotia and the Annapolis valley. Why was this promise not mentioned in the speech from the throne? When can we expect assistance toward the provision of a second ferry between Nova Scotia and New England to aid our tourist industry?

On the same occasion, in Yarmouth, the Prime Minister spoke of economic disparities, describing them as a greater danger to Canadian unity than cultural or linguistic differences; it was too much to expect Canadians to be united unless they all got a

just share. Speaking in Halifax, the right hon. gentleman said the threat to Canada's national unity did not arise so much from French-English problems as from economic disparity, and in view of this he intended to give regional development top priority.

With these statements I agree, and I was amazed therefore to read in the speech from the throne that the government regarded its first responsibility, and the first responsibility of this parliament, that of clearing away the accumulation of essential legislative adjustments left over from the last parliament. Unless these were cleared up promptly, we were told, efficient public administration and the effective operation of the Canadian economy would be hampered. What arrogance; what gall! When we on this side asked the government to make arrangements for parliament to sit as soon as possible after the results of the election were known, we were told this was not necessary and that some time in the fall, some time in September, would do. Now the election is over, what does the government list as business of the highest priority? Not regional development as stated by the Prime Minister in Halifax, but parliamentary reform.

And when this is out of the way, what is parliament to consider? Are we to deal with economic disparities, which the Prime Minister described in Yarmouth as presenting a greater danger to Canadian unity than cultural or linguistic differences? Oh, no; according to the speech from the throne we shall next be asked to enact a totally new official languages act based on a recommendation of the royal commission on bilingualism and biculturalism.

Mr. Speaker, I do not question the importance of these matters, but there are serious doubts in my mind about the government's sense of priorities. Many Canadians are living in poverty; they are calling out for assistance. They have not yet won their war on poverty, as have the defeated Liberal candidates. They are in the position of a drowing man who needs help immediately. But what are the members of this government doing? They are ignoring the drowning man's call. They say: We will help you, but first we must swab the deck, pump out the bilge and clean up the mess in the galley left by the former captain and crew; later on we will think about throwing you a lifeline. Mr. Speaker, by that time it will be too late.

[Mr. Crouse.]

I realize that the fo'c's'le and the captain's cabin of our ship of state must be in a terrible condition after the departure of the former captain and the exodus of his sloppy officers and crew. The present Prime Minister might simply have said in the speech from the throne that the ship of state needed to undergo a refit. In fairness to the right hon. gentleman the mess is not entirely of his making, since he has only been a Liberal since 1965. But he had lots of help from Judy and Jack, Gordon and Winters, as well as Robichaud and Martin, who fouled up our international fishing nets in a 12 mile limit and a fisheries policy which defied implementation or explanation by either one of them, a fact which may account for their departure to the other place.

If members of the government would take time to read the fifth annual review of the Economic Council of Canada I feel certain they would have a better idea of some of the problems facing Canadians. Reading this review it is evident that those of us who live in the Atlantic provinces have no priority when it comes to poverty in this nation. But we in the Atlantic provinces are especially concerned about statistics which show that our per capita incomes are as much as one-third lower than those enjoyed by the rest of the nation while our unemployment rate is double the national average, resulting in poorer standards of living and substandard housing. The council's report adds up to an admission of a continuing economic crisis in the Atlantic provinces, a crisis which Ottawa has not faced. The Atlantic provinces need a development policy geared to the needs of the region—a policy which will provide for the massive investment of federal and private funds which would enable us to process our plentiful raw materials within our own area.

Take shipyards, for example. The Liberal government's present policy of curtailing and reducing subsidies for ship construction has brought about a situation in which shipyard workers in my constituency face massive unemployment. Yesterday the leaders of the industry met with representatives of the government and I am sure they underlined the serious situation which exists within the industry. To the best of my knowledge, none of the shipyards in Mahone Bay, Lunenburg, Dayspring, Liverpool or Shelburne have any ships to build; the shutting down of these plants affects not only direct employment in the yards, but has a disastrous effect upon employment in our foundries and machine

shops. I noted with interest during the election campaign that the shortage of work in Quebec shipyards was a matter of concern to the then minister responsible for manpower and immigration, now Minister of Forestry and Rural Development (Mr. Marchand), who is reported in the Halifax *Herald* of June 17 as saying in Quebec that Canada made a mistake in selling its merchant marine after the second world war and that he would do everything in his power to restore it.

The speech from the throne is strangely silent about the major problems of our shipyards and of the deep sea fishing industry which is so closely allied with shipbuilding, but with the Minister of Forestry and Rural Development supporting my plea, I trust that our now silent shipyards will be reactivated. I realize, to use a popular phrase, that the bloom may be off the rose and that a large number of ships may not be required in the next few years. But some ships will be needed. In the fishing industry, Europeans are rapidly replacing their fishing fleets with new, modern, efficient vessels. In this they are encouraged by liberal loans, investment allowances, subsidies and special depreciation provisions. These large factory ships are producing frozen and packaged fish and unfortunately some of the fish they catch are marketed on this side of the ocean, creating problems for our Canadian fishing industry. As a matter of fact, the Canadian government reduced the subsidies on steel hulled vessels from 50 to 35 per cent at a time when we must compete with countries whose shipbuilding and fishing industries are state supported, and with whom expense is therefore no object.

Incidentally, no subsidies have been paid at the present rate in Nova Scotia since last November and when the hon. member from South Western Nova (Mr. Comeau) asked the Minister of Finance (Mr. Benson) yesterday when we could hope to see the restoration of those subsidies the answer he received was a model of brevity; it was simply a flat no.

• (4:00 p.m.)

One aspect of ship construction assistance has always puzzled me. I have in mind the reasoning behind the government's action in making subsidies for steel ships under the statute, while the subsidies for wooden ships come under the estimates. Why does the government not put steel and wooden shipbuilding on the same footing and in the same amount? Since the present government apparently does not approve of ship subsidies and since its lack of action has brought shipbuilding to a halt, I would propose that the government give consideration to implementing a system of investment allowances as a form of tax remission which would benefit the Canadian shipbuilding industry, the fishing industry and commercial shipping.

The Prime Minister often speaks of total involvement by Canadians. I believe investment allowances would bring about better involvement of Canadians in the building of ships. The investment allowances principle is not new. It has been used in the United Kingdom. I should like briefly to illustrate the principle of this system. If a ship cost $100 built in Canada it would be set up on the books as $175 for depreciation purposes. This additional amount would compensate for the difference in cost between construction in Canada and European countries. Under the investment allowance system the entire amount could be written off in a four year period if company earnings warranted this. The figure I have used is an arbitrary one. When the costs are compared with the costs of European builders it may be necessary to increase this amount. However, I wish to give the government something to think about.

I would also suggest that these allowances be extended to existing vessels, especially existing fishing boats, provided the allowance is used for the construction of new ships. I say this because the accumulated depreciation on existing vessels is only a fraction of what a new ship would cost and, consequently, such ships are difficult to finance. Under this system the builders of ships would be obliged to use their own profits, but I believe investment allowances would be a double barrelled approach to our shipyard and ship construction problems. In addition this would encourage thrift, reward ambition, promote enterprise and create employment which is seriously needed in many parts of Canada.

At the present time the fishing industry is facing many serious problems brought about by ever changing social and economic conditions which are prevalent throughout the world. In order for the fishing industry to expand into the key role of feeding countless millions, for which it has the potential, it must solve the problem of recruiting and training young men for the industry and must develop better deep sea trawlers with modern detecting, handling and processing aids. Fishing must be made acceptable as a vocation for our young men. We should no longer look upon the fishing industry as a second class

industry or look upon fishermen as second class citizens.

On October 24 and 25, 1967, a conference on fish protein concentrate was held in Ottawa. I attended that conference, and I was impressed with the possibilities of fish protein concentrate. I believe measures must be taken to curb the tremendous waste of unwanted species of fish now taken by our trawlers which, it used and turned into fish protein concentrate, could further stabilize the economy of the fishing industry and supply an additional quantity of food to the starving masses of humanity.

I would also suggest to our new Minister of Fisheries (Mr. Davis) that Canada, as one of the world's great fishing nations, should take the lead in fostering international co-operation for the conservation and use of available stocks in the world fisheries. One of the major difficulties at present affecting the industry is the depressed prices in our markets arising from increased groundfish production in Britain, Norway, Iceland and Denmark, plus the effects of the devalued pound. This overproduction, coupled with a market softness brought about by one of the rulings of the Pope—there were two—which relaxed the laws of the church concerning fish, has seriously lowered the consumption of groundfish.

Some progress was made in the Kennedy round talks, which is beneficial to our fish exports. But we still have a trade imbalance with the United States. It is evident that we need greater access to United States markets under more favourable tariffs, not in 1971 or 1972 but now. In the Kennedy round the United States made no change in the access for groundfish cooked fillets which are still subject to tariff quota revisions. Any change along this line would be most helpful to our fish processing and cooked fish industry.

Some species, however, are still in great demand. Here I refer to the lobster which is now live frozen and shipped to markets in the United States, Britain and France. Although the demand for lobsters is increasing the supply is diminishing. Landings at 35 million pounds in the Atlantic provinces were down about 6 per cent last year. This has resulted in new measures for registering lobster fishing boats and a trap limit in all provinces on the east coast, except Newfoundland.

These measures have been taken in an effort to control the industry so that our inshore fishermen may have a chance for economic survival. With the decline in lobster catches in some areas, some fishermen have found it necessary to go on the larger trawlers or seek employment elsewhere. Many of our fishermen, however, are too old to engage in offshore fishing or to be retrained. They are looking hopefully to the government's conservation measures as protection for their industry.

In view of the importance of the lobster industry, which was worth some $23½ million to our inshore fishermen last year, I would suggest a change in the lobster pound regulations. At the present time the holder of a $1,000 lobster pound licence is permitted to scrub female lobsters that have become berried—that is, that have acquired eggs after impoundment—and put them on the market.

The law does not prohibit fishermen from taking female lobsters. Only female lobsters carrying eggs on their tail may not be retained. It is impossible for a fisherman to ascertain whether or not a female lobster is carrying spawn until the condition develops. This usually occurs during the period when the female lobster is impounded. I believe, in the interests of conservation, that it would be a better practice for fishing inspectors to be empowered to act for the government by buying back seed carrying female lobsters and returning them to the sea, rather than have the eggs destroyed. In this way, the natural reproduction of the species would assist in maintaining the various stocks which at the present time are seriously depleted in some areas. When we hear that a one pound lobster is capable of carrying 20 thousand to 35 thousand seeds on its tail and that if these could be returned to the ocean the chance of survival runs anywhere from 3 to 5 per cent of the 25,000 or 35,000 eggs—and, in addition, last year one pound is reported to have scrubbed something like 1,500 lobsters—we get some idea of what the conservation measure would mean to our economy.

This type of policy, if put into effect over the next five years, should go a long way toward rebuilding our inshore fishery resources. The cost of this conservation program would not be excessive. If the government cannot find the money for this project I suggest that it cut down upon the expenditures of the Company of Young Canadians, the royal commission on the status of women, or the Canadian Broadcasting Corporation which last year cost the Canadian taxpayers something like $145 million.

I should like to turn for a few moments briefly to the subject of external affairs and

the somewhat pathetic action of the government in respect of the Territorial Seas and Fishing Zones Act of 1964. In its brief to the Canadian government on Monday, January 28, 1963, the Fisheries Council of Canada, which represents some 400 fishing companies which process 90 per cent of Canadian fishing products, outlined the fishermen's proposals in these words.

Spokesmen for the fishing industry today urged the federal government to declare a 12-mile fishing limit, shielding Canada's coastal fisheries from damaging exploitation by foreign fleets. They said the need is urgent.

Executives of the Fisheries Council of Canada met with a cabinet committee to present a 2,500 word brief which warned that unless such action is taken important fish stocks will become depleted.

Foreign fishing fleets now may operate to within three miles of the shore.

The brief proposed unilateral adoption of a plan which Canada and the United States jointly sponsored at the second United Nations conference on the law of the sea, held in 1960. This called for a six mile territorial sea and an additional six mile exclusive fishing zone. It was supported by 54 nations but fell one vote short of approval.

"The rapid increase in world fishing effort and efficiency has focused attention on the fact that, unless adequate safeguards are taken, the marine resources that have played such a vital role in the development of the Canadian economy will be harvested by foreign fishing fleets," the brief said.

It cited the recent expansion of Russian and Japanese activity.

Calling for adoption of the twelve mile limit, the brief declares that "unilateral declaration of the government's policy must be followed immediately by active enforcement ... and the policing of foreign fishing fleets."

"In the council's opinion, enforcement is absolutely essential if Canada is to maintain her position in world fisheries."

... Its brief suggested that declaration of the new zone take into special consideration the historic rights of France and the U.S. in Canadian national waters. As a first step, negotiations should begin with those two nations to reach a mutual understanding about their rights in an enlarged zone.

In keeping with the terms of the 1960 proposal, any nation whose vessels had made a practice of fishing in the outer six miles of the proposed twelve mile zone for at least five years would have the right to continue fishing that area for another ten years.

But, apart from those special circumstances, foreign fleets would be barred from the exclusive zone. This would permit for the first time an effective program of fisheries management and conservation to preserve the Canadian fishing industry.

An act was passed in 1964 embodying some of the council's proposals, but since that date successive fisheries council presidents have only been able to deplore the lack of action on this important matter by our government.

That council met on December 5, 1968 and Mrs. Marie S. Penny of Newfoundland had this to say about the government:

We are not happy about progress on implementing straight base lines, and defining certain bodies of water as Canadian waters or, at the very least, exclusive Canadian fishing zones. We know there are difficulties—but if action is not forthcoming fast many nations which up to now have not had historic rights in many of our waters will have acquired such rights. There is, also, the inevitable danger of this foreign fishing seriously depleting our fish stocks. We need a stiffer government attitude on this question—and we need it now!

Nothing could be clearer than this, Mr. Speaker. In all fairness to this government I must say they made a start in 1967 on geographic co-ordinates and base lines which were drawn from Cape Chidley, Labrador to Cape Ray, and here they stopped. No action has been taken to seal off the gulf of St. Lawrence or the bay of Fundy, two areas where conservation measures could be carried out which would be extremely beneficial to our east cost fishing industry, whose stocks are rapidly being depleted.

I cannot urge too strongly upon the government the necessity of facing up to its responsibilities in this matter, and if this is to be a housekeeping session let us see some action from the Secretary of State for External Affairs (Mr. Sharp) and the Minister of Fisheries (Mr. Davis). This is a very thorny problem. Let us not only get the broom out, let us get the vacuum cleaner out as well. Let us sweep the cobwebs from this department and get to work in an attempt to establish geographic co-ordinates and base lines. Let us set up areas where conservation measures can be carried out which will be helpful to our Canadian fishing industry.

Finally, if I have a little time left I should like to refer briefly to the speech from the throne and to the Prime Minister's statement regarding NATO and the action he proposes to take.

Mr. Speaker: Order, please. Perhaps this might be a convenient time to interrupt the hon. member and to say that his time has just about expired, unless he has the agreement of the house to continue. Is that agreed?

Some hon. Members: Agreed.

Mr. Crouse: I would like to say to the Prime Minister, and to the government that I noted from the speech from the throne that they contemplate a review of NATO. I believe a review may be necessary, but I hope this will not result in any change of

policy. NATO has not only provided us with protection on this side of the water, but it has served as a co-operative defence measure which has stilled the rising forces of the nationals within Germany itself. It is something that I believe we as a nation should continue to subscribe to and support at all times.

Thank you, Mr. Speaker.

• (4:10 p.m.)

HOUSE OF COMMONS

PROVISIONAL RULE CHANGES FOR LIMITED PERIOD

Hon. D. S. Macdonald (President of the Privy Council): Mr. Speaker, I rise on a point of order to ask for general consent to revert to motions to make a statement in respect of procedure.

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale): Mr. Speaker, I am sure you are aware that conversations have taken place in recent weeks in respect of our procedures and rule changes. As a result I am today giving notice of two motions which will be placed on the notice paper. The first will be for the appointment of a special committee to consider fundamental changes to our rules and procedures. That committee will be instructed by the house, in the terms of the motion, to complete its work and report by December 1, 1968.

The second motion is for the appointment of a special committee for the purpose of considering whether this house should make arrangements for the better oversight of instruments made under the authority of statutes of this parliament. I am assuming that when these motions are called, hon. members will want to debate them, and it is the government's hope that very early in the proceedings of the house, after the completion of the throne speech debate, we will be able to deal with these matters.

In the conversations which have taken place an agreement has been reached about provisional arrangements for the first part of this session, until the house rises for the Christmas recess. The suggestion is as follows, if I may summarize it; that with the exceptions or modifications I will note, the provisional rules that were in effect last April are to be in effect between now and the time the house meets again after Christmas; that Standing Order 15A is not to be in effect; that for the business of supply for 1968-69 a total of 19 days are to be used, and that the standing committee system set out in standing order 65 is to be revised for the remainder of this session.

I have had a motion drawn along these lines. It is very long and somewhat complicated, but I believe it has been examined by the house leaders of the three parties and I understand there is no objection to having this motion made an order of the house at this time.

Perhaps I should add that discussions will take place among the house leaders of all parties as to which of the 1968-69 estimates should go to the standing committees, and in respect of the order in which the estimates will be called in the committee of supply. If the house is in agreement perhaps the motion I made could be made an order of the house.

Mr. Speaker: Is that agreed, and is it also agreed that the motion which the hon. President of the Privy Council has now referred to be printed in *Hansard*?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

Mr. Knowles (Winnipeg North Centre): It should be printed in both *Hansard* and *Votes and Proceedings*.

Mr. Baldwin: Mr. Speaker, it is understood that the government house leader has accurately condensed the arrangements by which the interim arrangements will be carried on until Christmas.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I need only a few seconds to confirm that the document to which the President of the Privy Council would like the house to agree does represent the agreement of the house leaders of all the parties. Speaking for my colleagues, let me say that we are glad that we have been able to reach this agreement. We hope that still further improvements in our rules will be made in the not too distant future.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, on behalf of my party, I wish to re-affirm our consent as to the document tabled in this house by the President of the Privy Council (Mr. Macdonald), concerning our agreement on the procedure to be followed in this house. I have nothing else to say, except that I should like to congratulate all the house leaders for their excellent work and co-operation up to now.

[*English*]

Mr. Macdonald (Rosedale): I thank you, Mr. Speaker, and hon. members.

[*Editor's note: The motion referred to above is as follows:*]

That the rules and procedures in effect immediately prior to the dissolution of Parliament on April 23, 1968, shall be in effect during the present session until the sittings of the House are resumed after the Christmas adjournment, except that

(a) provisional Standing Order 15-A shall not be in effect,

(b) in relation to the business of supply for the fiscal year 1968-69 the resolution adopted on April 26, 1967, relating to Standing Orders 56 and 57, is hereby modified so that (i) the estimates of all departments shall be deemed to have been first taken up and entered for consideration upon the reference of the same to the Committee of Supply, (ii) an order for supply shall be called on one occasion only for the purpose of moving "That Mr. Speaker do now leave the Chair", and two sitting days shall be allotted for that purpose, (iii) there shall be an overall limitation of seventeen sitting days allotted to the said business of supply, including interim supply, main estimates, and supplementary estimates, and proceedings on any bill or bills based thereon, but excluding the final supplementary estimates, and (iv) at the ordinary time of adjournment on the seventeenth allotted day, as specified above, the Chairman or Mr. Speaker, as the case may be, shall interrupt proceedings and forthwith put successively, without further amendment or debate every question necessary to dispose of all proceedings necessary for the purposes of this order,

(c) for the duration of the current session Standing Order 65 shall be amended to read as follows:

65. (1) At the commencement of each session, a special committee, consisting of seven members, shall be appointed, whose duty it shall be to prepare and report, with all convenient speed, lists of members to compose the following standing committees of the House:

a. Agriculture, to consist of not more than 30 members;

b. Broadcasting, Films, and Assistance to the Arts, to consist of not more than 20 members;

c. External Affairs and National Defence, to consist of not more than 30 members;

d. Finance, Trade, and Economic Affairs, to consist of not more than 20 members;

e. Fisheries and Forestry, to consist of not more than 20 members;

f. Health, Welfare, and Social Affairs, to consist of not more than 20 members;

g. Indian Affairs and Northern Development, to consist of not more than 20 members;

h. National Resources and Public Works, to consist of not more than 20 members;

i. Justice and Legal Affairs, to consist of not more than 20 members;

j. Labour, Manpower, and Immigration, to consist of not more than 20 members;

k. Regional Development, to consist of not more than 20 members;

l. Transport and Communications, to consist of not more than 20 members;

m. Veterans Affairs, to consist of not more than 20 members;

n. Miscellaneous Estimates, to consist of not more than 20 members;

o. Miscellaneous Private Bills and Standing Orders, to consist of not more than 20 members;

p. Privileges and Elections, to consist of not more than 20 members; and

q. Public Accounts, to consist of not more than 20 members.

(2) The special committee shall also prepare and report with all convenient speed lists of members to compose the following standing joint committees:

On Printing, to act as members on the part of this House on the Joint Committee of both Houses on the subject of the printing of Parliament, to consist of 23 members;

On the Library of Parliament, so far as the interests of this House are concerned, and to act as members of the Joint Committee of both Houses, to consist of 21 members;

Provided that a sufficient number of members of joint committees shall be appointed so as to keep the same proportion in such committees as between the memberships of the House of Commons and Senate.

(3) A majority of the members of each standing committee shall constitute a quorum unless the House otherwise orders;

Provided that, in the case of a joint committee, the number of members constituting a quorum shall be such as the House of Commons acting in consultation with the Senate may determine.

(4) The standing committees shall be severally empowered to examine and enquire into all such matters and things as may be referred to them by the House; to report from time to time their observations and opinions thereon; to send for persons, papers and records; and to print, from day to day, such papers and evidence as may be ordered by them, and in relation thereto Standing Order 66 shall not apply.

(5) Any member of the House who is not a member of a standing committee, may, unless the House or the standing committee otherwise orders, take part in the public proceedings of the standing committee, but he may not vote or move any motion, nor shall he be part of any quorum; provided that a Minister who is piloting estimates or a bill through a standing committee may participate in the deliberations of any such committee as if he were a member, but he may not vote or move any motion, nor shall he be part of any quorum.

(6) A seconder shall not be required for any motion in any standing committee of this House.

(d) for the purposes of proceedings on private bills and in order to conform with the provisional Standing Order 65, for the duration of the current session, the words "Committee on Standing Orders" in Standing Orders 98, 100(2) and (3), 102, 103(1) and 108 shall be amended to read, "Standing Committee on Miscellaneous Private Bills and Standing Orders", and the words "Miscellaneous Private Bills" in Standing Order 105 shall be amended to read "Miscellaneous Private Bills and Standing Orders".

• (4:20 p.m.)

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed consideration of the motion of Mr. Eymard Corbin for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. Maurice Foster (Algoma): Mr. Speaker, it is indeed a pleasure for me to have an opportunity to speak in the throne speech debate. For this privilege I thank my constituents in the Algoma riding and for the confidence they placed in me last June 25. No new member can come to this chamber without being a little awestruck by its history and traditions.

Mr. Speaker, I do not have to congratulate you on your appointment as Speaker of this house. I have already done that, as have many other hon. gentlemen. I must, however, thank you for the personal interest you showed in me when I first arrived on Parliament Hill. I am sure all new members received the same kind welcome and personal interest.

I would like to pay tribute, as did the Prime Minister (Mr. Trudeau), to my predecessor, Right Hon. Lester B. Pearson, who for the past 19 years represented the former Algoma East riding in this house. Mr. Pearson represented the riding with distinction and with a great deal of concern for and interest in the people of that constituency.

This man has an international reputation as a Nobel Peace Prizewinner, as former secretary of state for external affairs, as former president of the United Nations, and as prime minister of our country; and the latest honour bestowed upon him: to lead a commission and prepare a report for the World Bank on the future course that should be taken by the developed countries of the world in providing aid and assistance to the developing countries. However, this was not the man the people of Algoma knew as their member of parliament. He was known as a common man, a man the people could meet and talk to on the streets of Espanola, Blind River, Elliot Lake or Manitoulin island, a man who was interested in the little people of this world, who was concerned with human problems. I believe it is a measure of the man that he who had walked and worked with the kings and state leaders of the world could find himself at home with the people of Algoma East and their problems of everyday life. Therefore I wish to pay tribute to the job that he did, not only as prime minister of this great country but as member of parliament for Algoma East, now the Algoma federal riding.

The new Algoma riding also takes in much of the former Algoma West riding which was so capably represented for 28 years by Mr. George Nixon. Mr. Nixon, like Mr. Pearson, was a man concerned with the everyday problems of ordinary people. I wish him well in his retirement after serving the area of Algoma West for so many years.

I congratulate all members on their election and the positions they hold in this house. We are indeed a fortunate group to have the responsibility to govern a country such as ours, only 101 years young. As well, I congratulate my friend, the hon. member for Kamloops-Cariboo (Mr. Marchand), on his election and on the speech he made. The hon. member is well respected in my riding, where we have some 15 Indian reserves, for the work he did as executive assistant to the minister of Indian affairs. In many ways, the hon. member typifies the over 100 new members in this house, young men who are aggressive, concerned and dedicated to the well-being of their country, Canada.

Mr. Speaker, these young men who were elected on June 25 to this twenty eighth parliament of Canada come here with high hopes that were inspired by our new Prime Minister (Mr. Trudeau) during the election campaign, inspired to believe that this parliament of Canada can become a more effective agent for dealing with the problems of this great country. They believe that if the old wrangling and bitterness which has beset this house in the immediate past years can be put away, if men of good faith can come to work together for a common good, a new page may be written in the history of Canada, a page of progressive and constructive government.

I believe we are concerned because of the recent problems that seem to be developing relating to rule changes for this house. These rule changes must recognize the traditions of the past, the traditional safeguards which the British parliamentary system has always afforded its people, and yet we must change so that the mountain of work which awaits hon. members here assembled can be dealt with in a careful but reasonably rapid manner. I believe that the Canadian people demand this of us, and indeed require that a more progressive, businesslike approach be adopted in the handling of the nation's business.

Mr. Speaker, I believe there is a place in our rules for a more definite method of handling the nation's business so that the member of parliament can better plan the use of his time. I believe this can best be done by the use of a parliamentary calendar which would provide at least one week every two or three months when the member of parliament would be free to return to his constituency and on a personal basis look after the problems of his people.

The riding of Algoma has within its boundaries some of the greatest natural resources of Canada. This area of northern Ontario has often been described as the treasure chest of Canada because of the minerals which are found within its boundaries. These minerals include iron, gold, copper, and uranium. Indeed, the largest deposits of uranium known to man are to be found in the area of Elliot Lake. I believe it is safe to say that at some time in the future more power will be produced from uranium, and the energy locked within it, than from any other source of power in Canada.

During the past year we have seen a renewed economic health in the uranium mining industry in Elliot Lake. This is very encouraging. Only a year or 18 months ago dozens, indeed hundreds of homes were empty and boarded up in Elliot Lake. Today nearly all these homes are being used, and we are told that within a year there may actually be a housing shortage in that area. So we never really get rid of problems; rather, we exchange one problem for another. Certainly, I would gladly exchange the problems of a depressed economy, such as we had a year ago, for the problems that result from a prosperous, booming economy such as we will be seeing within the next few years.

I believe that the government of Canada and this parliament should have policies which will expand the peaceful uses of atomic energy. Surely there can be no better way for Canada than giving leadership in the uses of uranium. Our country, which is so rich in this metal, should be a world leader in the peaceful uses of atomic energy. The world would benefit and we would benefit from it.

I believe that one of the most important pieces of legislation forecast in the speech from the throne is the creation of a department of regional development. This new department will be expected to do great things for the Algoma riding, because in this riding we have many areas of slow economic growth. In particular, in the town of Blind River we have a very serious problem confronting us. The McFadden Lumber Company, a division of Domtar, which has provided a livelihood and the mainstream of income to that town for many years, will be closing down its mill. This mill, which at one time employed well over 300 men, will be closing its doors at the end of 1969.

The proposed department of regional development will, we hope, be able to encourage new companies and industries to establish in the town and assist hundreds of people who will be left without work when the mill closes. There is a need in this town to develop a new forest industry based on some type of composition board using wood other than the white pine which has previously been harvested from the forests of the Mississagi river valley.

• (4:30 p.m.)

There is also within this area the potential for a future pulp and paper mill. However, the markets for pulp and paper in Canada are presently in a depressed state, and it does not seem feasible that a new company can be attracted to this area to produce pulp and paper at this time.

The forest industry has always been very important to the Algoma riding. Logging and pulp and paper have an important bearing on the economic well-being of the area. The town of Espanola has enjoyed prosperity over the past several years, due to a large paper mill located there. The government must implement policies which will increase the export market for paper so that the prosperity which this industry has brought to many areas in this country can continue.

There is also a need in my riding of Algoma for an expanded and improved means of transportation. You name the type of improved transportation, and we need it. Whether it be improved highways, air service, rail service or water service, transportation is one of the biggest problems in the Algoma riding.

The Algoma riding has never had any airports with a regularly scheduled air service. This situation will be remedied in the near future when Georgian Bay Airways will start a regular air service to Elliot Lake next Monday, September 23.

Over the years the passenger train service which has been serving the Algoma riding has progressively deteriorated in the type of service rendered to the people. Previously, there was a regular train service offering

sleeper car accommodation and operating at reasonable hours. However, recently this service has been removed and only a Budd car service travels through the riding from Sudbury to Sault Ste. Marie, one departure being at 3 a.m. in the morning. We hear that this service is to be discontinued in the near future. I assure you, Mr. Speaker, that the people of Algoma will not allow this to happen without a great deal of resistance, and I will be there to assist in that resistance.

With the decrease of train service throughout the riding, the highways have become more heavily congested due to the heavy flow of trans-Canada traffic, both cars and freight trucks. There is a need for a further development of highway 17, the trans-Canada route, with the provision of passing lanes on hills so that slow-moving trucks will not cause undue congestion, and a four lane highway in the heavily travelled areas.

It has been proposed that a new road be built from Blind River to Elliot Lake, the Granary Lake road. This road would provide a logical access road to enable people to live in Blind River and commute to work at Elliot Lake. The development of this road is a necessity for the people of Blind River who, within the next year, will be losing their chief source of income, the Domtar mill. At the same time, it will provide for the Elliot Lake market a close source of manpower. This road, I believe, should be developed jointly by the federal and provincial governments as a spur of the trans-Canada highway.

With regard to water transportation, we have a serious problem developing on Manitoulin island. This island has traditionally been served by a regular ferry service between the Bruce peninsula and Manitoulin island.

For the past five years we have also had a ferry service between Meldrum Bay and Blind River at the west end of Manitoulin island. I understand it is proposed to terminate this service at the end of this shipping season. I do not have to tell the house what a catastrophe this would be, both for Blind River and Meldrum Bay. Both of these areas depend on this ferry to help stimulate and continue the tourist industry. The tourist industry is most important to the west end of Manitoulin island, and is indeed the main industry there. I cannot emphasize too much the importance of the continuation of the federal subsidy to provide this ferry service. This subsidy of some $50,000 a year would be eaten up in no time with the welfare payments which would become necessary without a flourishing tourist industry.

On the other side of the coin, the same situation exists. If this ferry service were discontinued, Blind River would also suffer from the serious economic situation which is developing in that town, of which I have already spoken. It goes without saying that it would be a catastrophe for both ends of this service if it were to be discontinued.

Likewise, the ferry service at the eastern end of Manitoulin island, between Bruce peninsula in southern Ontario and Manitoulin island in northern Ontario, has problems. This ferry service has operated for many years, and over the years the number of tourists wishing to travel from southern Ontario to the beauties of northern Ontario has increased. It has become a problem because the ferry service that is available is no longer adequate. Often we have people who have to wait 12 to 15 hours in order to get a ferry across Georgian bay to Manitoulin island. It goes without saying that if we are to stimulate the economy of this area, this service has to be improved very soon.

The other main industry on Manitoulin island is agriculture, and we certainly have some problems in agriculture in Canada today. I am aware of many of these problems in this field, because of my profession. As a veterinarian I have intimate contact with many of the problems of the farmers in northern Ontario, and especially in the Algoma and Manitoulin districts. I believe that new approaches and new solutions must be found to the old age problem of low income for farmers.

I realize that the trend today is toward larger, more economic units in farming. Our main concern must be the welfare of these large units for the production of food. However, I believe that the government must have a small farms policy which will allow small operators who are in their declining years of farming, due to their age, to continue on the farm and still maintain a reasonable income on which to live.

I cannot emphasize enough the serious situation which has developed in northern Ontario in farming. The number of farmers is literally dropping off day by day and week by week. More and more are finding that they can no longer maintain a decent livelihood on the land and are turning to other fields of endeavour. This is especially true in the beef

producing areas of the Manitoulin and Algoma districts.

The large dairy farm seems to be able to survive in the north but is also having a very difficult time in trying to make ends meet. I think it is up to this government and this parliament to adopt policies which will improve the lot of the farmer. In this day of affluence in our country, it is a national disgrace that we are unable to provide a better return for the farmer who has a tremendous capital investment, often up to $100,000, and still has a net return equal only to the wages of a clerk in the city.

The manpower department is planning to establish a school of agriculture for the winter months. I applaud this approach to upgrading and training. There is no profession or job in Canada that does not require retraining and upgrading in this day and age, and I believe this applies to farming as well as to any other business.

I would be remiss, in speaking in this throne speech debate, if I neglected to mention the thousands of people, native people of Canada, who live in the 15 Indian reserves in my constituency. These people have shown in the past few years that they can make progress on their reserves which is second to none in Canada. Recently, the former prime minister, Right Hon. Lester B. Pearson, attended and officially opened a new development in the West Bay Indian reserve on Manitoulin island. This development, known as the Lakeview development, involved the expenditure of over half a million dollars by the federal government. It consisted of an elementary school, six senior citizen housing units, housing units for the teaching staff, and 28 serviced lots for a future subdivision development. This school was contracted by the Indians themselves and the work was done by the Indian people. Throughout the Algoma riding the Indian people have been constructing homes on their reserves, and the Department of Indian Affairs and Northern Development provided a basic grant for each unit. However, in spite of these achievements we are not complacent or satisfied with the development which has taken place and we are not content to rest on our laurels. There is a need for improvement on the reserves in Algoma in the areas of housing, education, job retraining and upgrading. We also need diversification for our primary industries and the introduction of small industries into the area. I hope the Department of Indian Affairs and Northern Development and the new department of regional development, working in conjunction with all levels of government, will be able to create new job opportunities throughout the riding.

• (4:40 p.m.)

I would not want to sit down, Mr. Speaker, without saying a word of congratulation to our new Prime Minister (Mr. Trudeau). People in northern Ontario often refer to it as "new Ontario". It was for this reason northern Ontario quickly responded to the Prime Minister during the recent federal election campaign. The people in northern Ontario, or new Ontario as it is often called, are quick to adapt to new solutions, good solutions—they must be good—to old problems, and the Prime Minister offered these new solutions during the election campaign. He did not speak in the tired old clichés so familiar to politicians but exhibited a new attitude, a new approach to the problems of Canada. It is obvious this approach was well accepted in northern Ontario because 11 out of the 12 seats in that area returned the new Prime Minister's party to represent them in this house. This new Prime Minister offered a new era for Canada and the people of northern Ontario decided to share in this new life he offered.

Mr. P. B. Rynard (Simcoe North): I note that our Speaker of last year, who was appointed as Speaker this year, is not in the chair. However, I should like to say that anyone who has been Speaker, who performed his duties so well in the last parliament that he was again chosen by his peers to fill this high office, must be held in the highest regard by the members of this house. He simply has to have this regard because he is elected by his peers. I should like to say a word, too, to the hon. member for Peterborough (Mr. Faulkner), who was appointed Deputy Speaker. We hope he will have the wisdom of the ages in his youth.

To the Right Hon. Prime Minister (Mr. Trudeau), I should like to express my sincere congratulations upon accomplishing an overall majority with so little. To the mover and seconder of the address in reply to the speech from the throne, I should like to say that their speeches were well worth the time spent in listening to them. I think the speech from the throne exhibited little to support the rabble rousing Trudeaumania of the election days. The Prime Minister indicated that it would take some time to work out the just society, and that the economics of the nation

will have to be put in order first. The government will have to straighten out its finances. This is an admission of the seriousness of the economic problems that have been pointed out over and over again.

If any proof of this fact were needed, all we would have to do would be to look at the savings bonds which will be put on the market shortly, carrying an interest rate of almost 7 per cent over the next 15 years. I am wondering if this is not a good time for this just society to take a look at the possibility of redeeming some of these perpetual bonds that were purchased in 1936-37 paying 3 per cent and upon the payment of which the Liberal government welched in 1965. These bonds are now worth 50 cents on the dollar. Even if the just society were to repay the bondholders 100 cents on the dollar, the resulting funds would purchase only about a quarter of what they would have purchased at the time the bonds were bought. I expect the Prime Minister to correct this injustice immediately. It is a blotch on our escutcheon. Those of us who were living and working then know how tough this problem was. If we fail to redeem those bonds, we are going to leave the parliament of Canada in a very unfavourable light in its handling of bonds.

I should like to deal now with a few problems that the just society might straighten out and which have shown up since the election. Several questions have been asked by members both on this side and on the government side of the house concerning the rural mail carriers. It is interesting to note that some of these rural mail carriers went about their duties during the period of the strike, and were paid. I put a question on the order paper inquiring as to how many were denied the opportunity to work, and how many were allowed to work and collect the money called for by their contract.

The question is, Mr. Speaker, why this discrimination? Some of these mail carriers were paid and some of them were not. Why were some of these rural mail carriers refused entrance to post offices during the strike, even though they were there and prepared to carry out their duties? In my opinion, this was rank discrimination. I do not believe there is anyone in this house who considers it just to deny some mail carriers the right to carry on their work while others are permitted to do so. I should like to know the answer to this question.

Some of these rural mail carriers commit themselves to monthly payments, probably for the vehicle they use to carry this mail. They are dependent upon that monthly cheque. I believe the situation created by the strike is covered by their contract, because clause (b) states:

> In the event of any conditions arising during the life of this contract which could not reasonably have been foreseen when the contract was made and which substantially alter the service and for which a pro rata adjustment based on distance or frequency is not equitable, the amount of adjustment in rate shall bear a fair relation to the amount payable under the contract and shall be fixed and finally declared by the Postmaster General.

All of us who were members in the last parliament recall that the postal workers did not have the right to strike until the legislation was passed during the last session. It is my contention, therefore, and I have received some legal opinion on this, that those rural mail carriers whose contracts were signed before that date have a right to collect. Certainly one would think that in a just society when a man is prepared to carry out his work, it would be only proper that he not be denied the payments called for by his contract.

While I am dealing with the Post Office Department, I should like to take a look at the policy of closing out small, rural post offices. The department makes no distinction whatever between summer post offices and post offices that should be operating in small hamlets the year round. I shall cite a specific case. Let us take the case of a post office which is established for the summer season in a grocery store. This service is usually provided for the cottagers, and terminates when they close their cottages. As a rule they open up their cottages the last week in June and close them on September 1. I have no quarrel with the closing of post offices in such areas as that, but I do quarrel with the closing of post offices in areas where several hotels and motels are open for business, areas such as Port Stanton. Many of the people who visit that area are tourists from the United States and the bookings are done by mail. These people are making the bookings almost a year in advance and are disturbed to find that the address on the letterhead is incorrect as a result of post office closing. In this particular case—and I am only citing one out of dozens—the post office is not Port Stanton anymore, but Severn Bridge. People living many miles away are thus confused.

• (4:50 p.m.)

Furthermore, Mr. Speaker, this particular area to which I refer is one where people live all year round. Operators of hotels and motels do not close up on September 1 or shortly thereafter but continue to remain open on a 12-month basis. They have people working for them the year round. Week end tourists are guests and they receive visitors during the skidoo season. Buildings are being repaired or constructed and rooms refurnished.

To cut these type of people off, Mr. Speaker, is sheer folly. We spend millions of dollars on advertising for tourists to come to this country, and then we destroy the very magnet that draws them. This is not common sense. I am sorry that the Postmaster General (Mr. Kierans) is not present to listen to me, because this is exactly what he is doing by these post office closures. The minister is drawing no line of distinction. Surely there is a very clear-cut line of distinction between these hotel and motel operators to which I have referred, and summer cottagers. Therefore, Mr. Speaker, I would ask the minister to take another look at this problem, because if he continues to lose tourist dollars in this way he will likely hear more about the matter from other sources.

In addition to this, Mr. Speaker, there is the question of notice. How much notice were these people given? As I understand it, they received ten days. They had to prepare bookings for the following year, forward literature with their address printed on it, and so on. Port Stanton post office has been in existence for 100 years. If this not folly of the worst sort, I do not know what is. I trust the minister, who I think and hope is a very sensible man, will get busy right away and correct this situation. Do not let us rob Peter to pay Paul, which is what happens when post offices such as this are closed. When post offices remain open all year round, money is coming in. One hotel operator told me that on average he receives 5,000 letters a month, and there are six or seven hotels or motels in that area.

I also want to draw attention, Mr. Speaker, to this just society. As I listened to the speech from the throne it became apparent that it would take time to find the problems that exist. However, Mr. Speaker, let me assure you that they do exist right now. A tremendous amount of work has to be done by the just society. For example, take the case of the old age pensioner. There are approximately one and a half million people in Canada 65 years of age or over. Most of them worked during the thirties for one quarter of what they could earn today; that is, if they were lucky enough to have found a job in those days.

The little they have saved has been eroded by inflation to the extent that it now buys less than half of what it bought originally. Succeeding governments have been eroding the value of the dollar, which has caused inflation. Priorities are not required to discover that; all we need do is look around us. Last year the dollar was eroded by almost 5 per cent. What we did was to give the pensioners a 2 per cent increase and take 5 per cent away from them. What a way to treat the senior citizens of this country! There is a commandment that says that you should "honour thy father and thy mother". Are we doing this when old age pensions are so scandalously low and housing is wholly inadequate?

I am sure that everyone in the house agrees that our employment policies are geared to youth. Ask a man 50 years of age, and unemployed, whether he can get a job. In addition, the leisure needs of the elderly people of this country are completely ignored. According to statistics, about 60 per cent of these people have little or no money and they qualify for the supplement. Many of the remaining 40 per cent have great difficulty making ends meet. When we talk of priorities, Mr. Speaker, this particular priority is there for everyone to see.

Another matter that bothers me, and I am sure many other members of the House of Commons who stop to think about it, is this: After we passed the legislation which gave the pensioners $75 a month, we waited a while before inserting an escalation clause increasing the amount, if necessary, by 2 per cent. In the meantime the cost of living increased almost 5 per cent. This is really treating people who cannot help themselves in a Scroogian way.

A just society, Mr. Speaker, would have tied the increase in remuneration to the cost of living. A just society would have given these pensioners $100 a month. Our party supported such a move, and it would have meant there would be no peeping Toms annoying and worrying our senior citizens in this land, as is the case now. Tomorrow, Mr. Speaker, we in this house will be the senior citizens, if we live that long.

The other day, Mr. Speaker, I saw a paper that listed a series of questions which had been sent to and answered by an old age pensioner. The form was inquiring into his financial status. This particular couple had no money of their own and were living in an old home ten miles out in the country. They could stay there no longer because they were unable to drive or to afford a car, and consequently had to come into town. They sold the farm on which was situated a little farm house for which the buyer was paying so much a month. When they moved into town they had to pay a little more for a two-room apartment than they received as rental for the farmhouse. Having filled out the form they were then asked to pay for OMSIP, for hospital insurance. Thus their guaranteed income supplement went out the window.

Now, Mr. Speaker, is this proper treatment to give these people? The Pharisees in the new Testament used to do this. They said they followed the letter of the law; but let us not follow their example in this parliament.

I am also disturbed about the bureaucracy that is besetting provincial and municipal governments. We are being mentally and physically cruel to people we are supposed to honour and love. We have built up such a jungle of bureaucracy in our welfare work that we are on the point of helplessness.

• (5:00 p.m.)

For example, a man who had been eight years in a mental institution came to me not long ago. I am speaking from memory, but I think he had undergone several operations, two of them to his feet. He had a heart condition. After eight years of custodial care, when he was 50 years old he was turned out into the world to earn his living. What happened was inevitable. He couldn't cope. He came to my attention and on his behalf I contacted welfare workers who, under their regional set-up had to drive 25 miles in order to see him. One worker came out but could not find the man in question, for whom some grocery money and room rent was left. Groceries were not the crux of the problem, because on the day following the ex-mental patient was without a room to sleep in. He could not cope with his new world.

We telephoned the regional welfare worker, told him the story, and he came out to look the situation over. He said, "Why, this man will have to go into a county home." After that papers were sent, and we filled them in. The papers were sent down to the committee where they were processed and he was not accepted. We became involved with bureaucracy and more bureaucracy. Finally the papers were returned with the notation, "Unsuitable for this type of man", or some similar notation. The man is still on the street; he still has the same problems and nobody will look after him. He ran afoul of bureaucracy.

We are in a jungle of red tape where nothing happens and where taxes are increased to pay for that red tape. Bureaucrats run backwards and forwards piling up expenses for which we have to pay. I never thought that I should advocate a negative income tax to pull us out of the hole we are in, but I am approaching the point where I would advocate such a tax.

I expect many hon. members have heard of cases where people on welfare are better off than those who work for their pay cheques. That situation should not be permitted to exist. This situation applies not only in Canada but in the United States also. For instance, I have heard of cases where people in New York state living on welfare are better off than people in other parts of that country who are working for their living. It seems that we are all becoming helplessly entangled in bureaucratic red tape. The answer to the problem is that we must stop spending our money foolishly on increased bureaucracy. We must stop putting up unnecessary buildings or equipping necessary buildings with unnecessarily costly equipment. I have seen many hospitals, the equipment of which has become obsolete within ten years. The buildings needed altering, yet they were built to last from 25 to 50 years. Sometimes after the buildings had stood for 20 years it was necessary to tear them down. I have seen such complexes being destroyed. Canada cannot afford that type of foolishness when our people are short of housing. Lots of work is waiting to be done in the just society, Mr. Speaker.

On July 1 the government brought in medicare, and I have often wondered how the plan will operate when one considers the scarcity of doctors. Saskatchewan is participating, as is British Columbia. I understand that Nova Scotia is to come in soon.

Mr. Crouse: Next year.

Mr. Rynard: And the government is going to blackmail every province into entering the plan, whether the province has the money for it or not.

An hon. Member: You are against medicare.

Mr. Rynard: I am not against medicare; I am all for it, but it must be on a sensible basis, where we have the doctors to do it.

What sort of medical care will our people obtain when one considers that in the emergency departments of many hospitals one has to wait several hours before being treated. That is the sort of thing I object to. We cannot have adequate medical services if the country has not enough doctors. At the present time in Canada there are approximately 2,000 people for every general practioner. Our doctors, apart from their duties in treating patients, are harried by forms they have to fill in, by bureaucracy and by all sorts of red tape.

I ask, what has the government done since 1963 to increase our supply of qualified doctors. Mr. T. C. Douglas, who is not here at the present time, supported me in a speech I made on this particular point. I urged the government to allow the medical schools to operate all year round and thus increase our supply of doctors. I believe six medical schools agreed to do so, provided the government came up with the necessary funds to help toward the professors' pay. This assistance was refused and today, when medicare is in operation, we have insufficient doctors for our needs. Consequently our medical services will be inadequate.

It is time that we took a serious look at the situation. The government ought to make available through the health resources fund money which will help to train additional doctors. I am sure that the majority of medical schools in Canada would be willing to operate all year round if given the chance and the money. They did so during the war, when doctors were turned out in four years. Dr. John Evan, the young and distinguished dean of the McMaster medical school in Hamilton said, "We could do it in three years if we have active support and the necessary funds."

The government turns a deaf ear to such pleas, at the same time shoving down our people's throats a form of medicare that will not work. I am greatly concerned about the quality of medical care that our people will obtain from doctors who are hopelessly harried and overworked by the demands of bureaucracy. I saw the work of medical practitioners deteriorating in England. There were so many forms to be filled in that patients after a very cursory inquiry were told that they had to come back next week and the week after that. In the end, when the doctor has little time to see the patient and only has time to guess at what is wrong with him, he says, "I have made a reservation for you to enter the hospital where the doctors will find out what is wrong with you."

When this happens your hospital operating expenses go up. All your health costs soar, simply because doctors have insufficient time to spend with each patient. We have one doctor for every 2,000 patients, and in that regard Russia is away ahead of us, with one doctor to about 500 people. Even the United States is better off than we are. Yet we are crowding medicare through in one of the most sparsely populated countries in the world. I say this in all sincerity; I do not say it offensively: While I have been critical, I hope some of the things I have said this afternoon will be noted by the government and by this house, and that action will be taken to see that the people of this country get proper medical care, and to see that the picture of the just society which has been built up across Canada gets going. This is not just a matter of priorities; it is so obvious it is staring them in the face.

• (5:10 p.m.)

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, it is a great pleasure for me to rise and make my first speech in the House of Commons. I must say I am particularly pleased to see such a crowded house at 5.15 p.m. on a Friday afternoon. Who would have thought that so many thousands would have turned out?

Before I get to the main body of my speech I should like to say a few words about my predecessor. Michael Starr represented what is still the core of my new riding, Oshawa-Whitby, formerly the Ontario riding, from 1952 until this year's general election. There can be no doubt that in terms of his services to the personal needs of his constituents Mr. Starr performed an outstanding job as a member of parliament.

Some hon. Members: Hear, hear.

Mr. Broadbent: This is widely recognized by his constituents, whether they were his political supporters or not, and it is widely recognized, I am finding, among all parties in the House of Commons. I am also learning that among members of this house in all parties he is regarded as a man of great integrity

possessing all the qualities of a genuine gentleman. I should like to add that I am not saying any of these things because it is, supposedly, the conventional thing to do; it is something I genuinely believe, because I heard it expressed on countless occasions since I arrived in Ottawa and, prior to that, in my riding. I have rarely agreed with the policies of the party which Mr. Starr represented for many years, but I unhesitatingly salute Mr. Starr the man.

Some hon. Members: Hear, hear.

Mr. Broadbent: Now, in my short but, I hope, not completely irrelevant speech I wish to address myself to the two issues raised by the Prime Minister (Mr. Trudeau). In his speech on Monday of this week the right hon. gentleman suggested that in our discussions during the present debate we should concern ourselves with questions which relate to "the kind of country in which we want to be living and the directions in which we should be moving to build such a country."

Earlier this year the Prime Minister suggested, if I understood him correctly, that in Canada we had gone about as far as we could in our efforts to construct a welfare state. Once we have medicare established on a national basis, he implied, the structure would be almost complete.

As a member of the opposition, and more particularly perhaps, as a New Democrat, I am in the unfortunate position of having to agree with the Prime Minister on both issues. In short, it seems to me that the debate on the speech from the throne is an occasion when the social philosophical objectives of Canada should be discussed; and, second, it is true that we now have in Canada the basic structural components of a modern welfare state.

Mr. Speaker, I would like to begin my contribution by saying something about the second issue. The 100 years since confederation can be divided roughly into two socio-economic periods. Up to the 1930's Canadians were concerned with laying the foundations of a viable capitalist democracy in which our two principal cultural groups could at least co-exist peacefully within the framework of a liberal constitution. The central components of a liberal democratic society were firmly established throughout the land: universal franchise; freedoms of speech, religion, press and assembly; competing political parties, and a national banking system.

[Mr. Broadbent.]

Since the 1930's we have experienced important modifications of the classical liberal structure. The more important of these include: (1) the right of trade unions to exist and to strike; (2) the gradual implementation of old age pensions; (3) some form of progressive taxation; (4) comprehensive medical and health programs and (5) an unemployment insurance scheme.

No sensible Canadian would deny that these measures have made a very significant change in the kind of life the majority of our people can now experience. They have provided the quantitative basis for a qualitatively enriched life for millions of adults and children. These five changes have provided the structural core of our modern welfare state.

I emphasize the point that we have the core. It would, however, be both false and irresponsible for me to suggest that we have the whole apple. Previous speakers in this debate have ably indicated serious deficiencies which still remain and about which the government gives almost no indication of seriously concerning itself. The most glaring of these are: (1) the abysmal lack of adequate housing, (2) severe economic inequality between both individuals and regions, (3) the absence of a guaranteed annual income, and (4) an outmoded and inequitable system of taxation—a shock to the western world, I might add.

Mr. Speaker, these four areas of concern should not in any way be dismissed as being of minor significance. They are the major evils of the day. They can be and should be remedied. Previous speakers from the New Democratic party have indicated their existence and have suggested solutions in this house. Earlier in the year our leader—soon to be returned to this house—and candidates across the land discussed them directly with the Canadian people. There is little need for me, at least in this debate, to add to what has already been said.

Instead, what I wish to stress is that every one of these evils can be substantially dealt with within the existing socio-economic structure. We do have the core of the welfare state. We need only the will to complete it. Houses can be built, taxation can be improved, a guaranteed income can be introduced, and regional disparities can be significantly modified. All this can be done without making any further significant changes in the distribution of power within Canadian society.

• (5:20 p.m.)

It is in this sense that the Prime Minister is almost right when he suggests that in terms of welfare we have gone about as far as we can go. It is also his implied suggestion, that it is as far as we should go, that makes me believe that the Prime Minister is a profoundly conservative man. His vision extends to the welfare state, but not one step beyond. His vision of the just society is what we almost have. To defend what we have and to refuse to go beyond is to cease to lead. And to cease to lead beyond the welfare state is to leave Canadians with a kind of society which is inherently inegalitarian, inherently acquisitive, and inherently unjust.

Having indicated substantial agreement with the Prime Minister on the nature of the welfare state I want now to proceed to suggest why we New Democrats—unlike the Prime Minister and the Liberal party—cannot accept it as being an adequate kind of society. Perhaps the major objection to the welfare state is that for all its advantages it rests on a grossly inadequate understanding of democracy. In Canada today children are taught in schools throughout the land that our country is democratic primarily because there is more than one political party and because citizens have both the right to criticize and the right to change their rulers every few years. This view of democracy, Mr. Speaker, is a distinctly modern phenomenon and is in marked contrast with the understanding of democracy of both the early Greeks and 19th century Europeans. Prior to our century democracy was seen by its defenders and critics alike as a kind of society in which all adults played an active, participatory role not only in the formal institutions of government but also in all the institutions which crucially affected their daily lives. Similarly a democratic society had been seen previously as one in which all its members had an equal opportunity to develop their capacities and talents; it was not seen as one in which citizens had an equal opportunity to earn more money or advance up the class ladder.

It is this old view of democracy that we must once again take up. We must use its standards and apply them to Canadian society. We must once again talk about equality. We must see justice and equality as going together. Of course, Mr. Speaker, if we do this we know we will find our society grossly inadequate and significantly unjust. Every sociological study done in European and North American welfare states in recent years has revealed their inherently inegalitarian nature. One of the most important of these, Professor John Porter's "The Vertical Mosaic" documents in chapter after chapter the inequalities of Canada's social system. The recent report of the Economic Council of Canada provides additional concrete information on the existence of economic inequality.

It might well be granted that this is the case. But what, asks the defender of the status quo, can be done about it? The answer, Mr. Speaker, is a lot. We must begin by insisting that in a democratic society—in, if you would a just society—all adults should have equal rights in all those institutions which directly affect them. Where authority is delegated, then those to whom it is delegated must be responsible to those over whom they exercise their authority.

In concrete examples, Mr. Speaker, this means that in our factories, in our offices, and in our large commercial and financial institutions, legal power must shift from the few on the top to the many below. We can of course have no illusions about completely dispensing with authority. In a complex industrial society, this is impossible. But we can democratize authority in our non-political institutions just as we have in the political. Management can and must be made responsible to the workers, just as we are responsible to our constituents.

More than this, however, is required. Not only must legal control pass from the few to the many, but also the many must be given the right to make more of the decisions themselves. Responsible university students around the world in recent months have initiated this process on their campuses.

I urge the Canadian government to promote this development, to lead the way, not only because such democratic institutions would be more just, but also because they would be infinitely more conducive to the development of responsible and creative men and women. Karl Marx and John Stuart Mill realized this one hundred years ago. Herbert Marcuse, Erich Fromm and many others have stressed the same truth in our own day. We as the political leaders of the country have a duty to initiate this battle for a truly democratic society. We have a duty, Mr. Speaker, not simply to praise our past and celebrate our present, but also to create the future. We must reject the sterile view of both the government and the official opposition. Both the Liberal and Conservative parties are bound not by bad intentions but by an outmoded and unjust

ideology. They have their heads as well as their feet firmly imbedded in the ideas and practices of the past.

No amount of parliamentary reform, social razmataz, or fiscal responsibility can lead to a just society. At the very most they can remove little pockets of inefficiency. The basic unjust and unequal structure will remain. What Canadians require is a leadership deeply dedicated to the democratization of the whole of society and thoroughly committed to changing by means of law the existing power relations needed to bring this about. In recent decades we have built a welfare state. It is now time to go beyond it.

Mr. Speaker, in these brief remarks I have attempted to follow the Prime Minister's suggestion and discuss in a general way what I think the future of Canada should be. In so doing, I have also tried to indicate the inadequacies of the present. In addition, a serious approach to politics also requires proposals for specific legislation intended to bring about the desired future. In the past the Co-operative Commonwealth Federation and the New Democratic party have accepted this important responsibility, and have led the way in providing ideas for the welfare state. In the days and months ahead we shall continue to provide programs intended to take us beyond the welfare state.

Thank you, Mr. Speaker.

[*Translation*]

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, according to the custom in the house I wish to congratulate the hon. member for Madawaska-Victoria (Mr. Corbin), the mover of the address in reply to the Speech from the Throne.

I also wish to congratulate the hon. member for Kamloops-Cariboo (Mr. Marchand) who seconded the address. Those two new members have already attracted attention in this house, because they spoke quite well and have shown their ability.

• (5:30 p.m.)

[*English*]

I understand there are some 100 new members in this House of Commons. To these I want to say a few particular words about the city in which they will be residing for a good part of the year, that is the city of Ottawa.

I can well remember in 1963, when I was first elected, the then member for Renfrew South in a brilliant and witty display of oratorical talent talked about the way he could feel the cold waters of the Ottawa river lapping at his back from the point at which he observed the proceedings of this house. He has since moved down to the front benches and perhaps he swims in warmer waters from time to time.

I would like to call to the attention of hon. members of this house those waters of the Ottawa river which raise an important question of policy, and which must concern us. In these beautiful days of early fall I hope that members will walk around the back of parliament hill and look down on the Ottawa river from the cliffs. I am sure every one of you will feel, as I do, the tremendous pride we as Canadians enjoy in this truly magnificient river. When I saw the rivers of other parts of the world that I have read about in history books, the Thames of London, the Tiber of Rome and, yes, even the Seine of Paris, none of these could equal the majestic river which is part of our heritage.

When Champlain came here 350 years ago he must have seen a truly inspiring sight. He must have looked at the junction of the Gatineau and Rideau rivers, naming the falls by the French word meaning curtain, and naming also the Chaudiere falls. He certainly could never have anticipated the degree of pollution of this stream that we have permitted right under our noses.

Look across to the pulp mill on the other side of the river and there you will see a symbol of the industry itself and its contribution to Canada. The pulp mill means investment, a high standard of living and many things to many Canadians. The industry is advantageous in many ways; but day after day you can observe in the Ottawa river that milky, contaminated layer of discharge of pollutants. Correction of this will be costly, but failure to correct it will probably be very much more costly in its ultimate consequences. Remember as well that the extent of sewage treatment on the far side of the river is almost negligible and the city of Ottawa itself provides only primary, coarse screening of its effluent from a metropolitan population of over 400,000.

I have placed a measure on the order paper that I hope will come up for debate before this house, which will create a national capital pollution control board, and I hope hon. members will join with me in calling this national disgrace to the attention of the people of Canada.

I hope also that hon. members will stroll down the beautiful Sparks street mall and then turn right down Elgin street. As you approach confederation square you will see before you the national centre for the performing arts which will cost, I understand, more than $45 million. From confederation square the outline of the centre has some interesting features and it is abundantly clear that the view from the side of the Rideau canal will be truly beautiful. But walk down to the Lord Elgin hotel on Elgin street and then turn back and look at it.

To the visitors on Elgin, Laurier, Albert and the mall it appears as a huge, dirty, brown wall of ugly, unrelieved cement which presents a façade that, for sheer ugliness, is almost impossible to surpass. I was one of those who looked forward with anticipation to the performing arts centre and believed, as I still believe, that it will make a tremendous contribution not only to the cultural life of Ottawa but to all Canadians.

Certainly the early models which were displayed on the Sparks street mall gave no sense of the ugliness that would be extruded from the western side of the building. Something will have to be done about this wall. In Mexico they would, no doubt, engage artists to create brilliant, ceramic tile concepts which would be striking and beautiful.

If we must have something more Canadian, I suggest we invite some of the Eskimos from Cape Dorset to come down and see what they could do to relieve a large panel of it. Possibly some of our Canadian Indians could develop some themes based on their culture, which would be distinctly Canadian. Failing this, if Treasury Board feels that they cannot afford such extra costs, and I can well sympathize with their sensitivity about the cost of this project, I suggest that they mark it out in little panels and issue spray paint cans to the citizens of Ottawa. Certainly the artarama project suggested that it was possible to do some interesting things to improve dull space of this nature. No matter what the results were, there would be a substantial improvement.

I did not mention the centre for the performing arts in an effort to be picayune or to be purely negative in criticizing the National Capital Commission, which has been responsible for advising the government on these matters and has done some tremendous things for Ottawa. It has created some parks and is building a parkways system of which we are all justly proud. But the National Capital Commission itself is in a process of transition and so, for that matter, is the future form of government for the nation's capital.

The Right Hon. Prime Minister (Mr. Trudeau), speaking in this debate, indicated the scope of reforms which are going to be undertaken and the pragmatic way in which the government will approach these reforms. He indicated that conferences were planned at a technical level relating to the future of the Canadian constitution, and he hoped to have discussions in October or November of this year with provincial premiers.

On the subject of the national capital, there has been much speculation and a number of suggestions have been made that, in my opinion, will not stand close examination. Very few people indeed believe that the present form of municipal organization in the national capital region can survive without substantial changes in order to serve national purposes. I know that the Minister of regional development, who is responsible for the national capital is carefully studying the problem and all its ramifications.

There are those who believe we should simply create a federal district and make it a bilingual and bicultural show-piece for the rest of Canada. Indeed, the resolutions that have been passed at the conventions of all the major parties represented in this house at times came close to a simple declaration of this nature. In my opinion it might have been possible to create a federal district in Queen Victoria's day, but many things have happened since that time.

The first and foremost difficulty in creating a federal district, of course, is the matter of property and civil law within the federal district. Which law would be adopted, the common law of Ontario or the code law of Quebec? Would an attempt be made to create a district in which the two systems of law would co-exist side by side with equal rights? My legal friends tell me there are very great practical difficulties no matter what solution is chosen in this respect, although anything is possible if we are willing to put up with the annoyances involved and the possible substantial changes in property values and property rights which would ensue.

The second and equally grave difficulty, in my opinion, would relate to education. Would the new federal district adopt the educational system of the province of Ontario, or would it adopt the educational system of the province of Quebec? Perhaps it would feel obliged to create still another educational jurisdiction in

this confused land of ours—a jurisdiction in addition to that of the ten provinces, the Northwest Territories and the Yukon. Speak to the families of bank managers, of servicemen, of employees of corporations whose livelihoods require them to be transferred from one part of Canada to another, and you will receive in an overwhelming majority of cases an eloquent plea for a reduction in the number of educational jurisdictions, not a proliferation of them. In any case, the proposed new federal district would have to break entirely new ground in the field of education. This might be desirable but it does raise grave difficulties.

Lastly, the creation of a federal district raises a fundamental problem of provincial sovereignty. It is expecting a great deal to ask the province of Quebec to yield sovereignty over a large region which is included, by the statute of the federal authority, within an area known as the national capital region.

Has there been any indication that the province of Ontario is any more willing to concede its sovereignty over an even larger area, with more people? Elected representatives who sit in the houses at Toronto and Quebec city can hardly be expected to view with equanimity legislation which would eliminate their constituencies.

In my view the solution will have to be resolved along different lines. Frankly, I prefer the twin city national capital concept. I believe that the future capital of Canada will consist of two regional municipalities. One will substantially follow the borders of the recently created regional municipality of Ottawa-Carleton in the province of Ontario. The second, in my opinion, will include a similarly constituted regional municipality within the province of Quebec on the other side of the Ottawa river.

If we do follow this development of a twin city national capital, and this is the most workable and possible solution that I can envisage, there will then be the difficulty of relating the national capital commission, as the federal arm, to the regional municipalities in Ontario and Quebec. The measures which I am proposing and have placed on the order paper are designed to assist in tying together these components into what will be a functional national capital.

• (5:40 p.m.)

I have already mentioned the national capital region pollution control board to deal with both air and water pollution. I believe it will also be necessary to create a national capital commission transit authority charged with the responsibility of integrating the bus lines and an underground rail rapid transit system with north-south and east-west routes.

Frankly, I would place the rail rapid transit system as a high priority in this national capital. Indeed, a bridge for rail rapid transit, in my opinion, should have a higher priority than any future automobile bridges across the Ottawa river. This will require negotiations between the federal authority and the provinces of Ontario and Quebec. Only joint action involving the three government authorities can solve the confused tangle of jurisdictions, intermittent services and costly rivalries that now plague public transit in the national capital region.

I believe, also, that there should be created some form of advisory national capital region planning authority. This is difficult, because of the primary constitutional role of the provincial authorities in property and civil rights. But somewhere, at some time, representatives of the area municipalities, of the provincial authorities and the federal government, represented by the national capital commission, must sit down at the same table and agree on long term plans of the land use, traffic patterns, future building sites and the like. Lastly, I believe that an official languages board, following the general recommendations of the bilingualism and biculturalism commission, should be created for the national capital region.

Mr. Speaker, I would not like to close without some reference to the special task force on housing which the Minister of Transport (Mr. Hellyer) has so ably undertaken at this time. I have had discussions with the minister and am very much impressed with the drive and integrity he is employing to resolve our national housing crisis. If one man in Canada is equipped for the task, Mr. Speaker, the Minister of Transport is so equipped.

In the national capital region the federal government has destroyed more housing than in any other part of Canada. This has been a by-product of the elimination of some bad eyesores in LeBreton Flats, Sussex Drive, and many other places. The sites that have been taken for national purposes are part of the creation of the national capital for all Canadians.

In Ottawa there is a frightful housing shortage, as the new members coming to this city will have discovered. I do not believe

there are any apartment dwellers in my constituency who have faced increases of less than $20 per month in the last year. The remedy for a shortage in housing is not controls over rents, as some have urged, but creation of more housing. I hope the Minister of Transport, who has spoken so eloquently and well of the need for new Canadian cities and satellites, will choose Ottawa as the initial point for a demonstration project of what a future new satellite city should be.

Finally, Mr. Speaker, there is the question of the future form of the city itself. The national capital commission regards itself as the planning arm of the federal government and attempts to exercise an over-all responsibility for such things as height control, general zoning problems, the aesthetic appeal of new buildings and the like.

There has arisen a major conflict between the municipal authority of the city of Ottawa and the national capital commission on building heights. Yesterday, for example, the national capital commission called a Professor Wilbur R. Thompson from Wayne State University at Detroit to present testimony before the Ontario municipal board regarding Ottawa's skyline.

Some of Prof. Thompson's remarks, as reproduced in the Ottawa papers yesterday, gave me the greatest concern, and I question what purpose is served by the national capital commission bringing a two-day wonder of this nature to testify on such controversial matters in such unqualified fashion. For example, Prof. Thompson is quoted as follows:

> Planning concepts in Ottawa should focus around aesthetics and economic factors were in no way significant and possibly even trivial.

That is a good quote. He is further quoted as saying that Ottawa does not need large buildings. The Ottawa *Citizen* quotes him in this way:

> It was quite all right and even desirable for Toronto and Vancouver to have 20th century skylines, but it was quite another matter for Ottawa to have the same.

Mr. Speaker, the national capital commission is not responsible for providing the health, welfare, recreation, traffic engineering, street maintenance and other services that the city of Ottawa provides. It does not have to levy a mill rate on the citizens and answer for gaps in service. The citizens of Ottawa do not call the national capital commission if their garbage collection is unsatisfactory, but they do call their aldermen, controllers and mayor, and the city council must have the resources to do the things that the citizens require. It is a cavalier thing for a spokesman of the national capital commission to say that economic factors are not important, but members of this house know that very few of us in this life are privileged to set our rules of conduct in such narrow limits.

Mr. Speaker, I invite hon. members of this house, especially the new members, to drive along the magnificent western parkway which has just been created by the national capital commission. Drive west along the parkway from its junction on Wellington street to its termination on Carling avenue, and then turn around and come back. It is a beautiful drive. As you approach Wellington street from the west, you will pass beside Nepean bay which has been substantially beautified by the national capital commission's efforts. Look ahead and you will see Ottawa's skyline. I hope you make the trip some time just at sunset, when the lights begin to glow, and see the skyline Ottawa has created.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the hon. member permit a question?

Mr. Francis: Yes.

Mr. Knowles (Winnipeg North Centre): Will the hon. member join with me in the hope that this view will not be obstructed by the national defence tower, which is planned for this area?

Mr. Francis: Mr. Speaker, I have discovered in this world that some people start with the answers and if the facts obscure the answers with which they start, so much the worse for the facts. I have always been of the opinion that one should study and observe. My view of the skyline is not that everything must be thus and so, and everything else that is built must detract from it.

I invite the hon. member to look at that skyline from the western bridge. If he does, I think he will agree with me that it is a magnificent skyline in spite of the new buildings, hotels and all the other things that have come to this city. This is good for the city of Ottawa. There is a view held by a number of people engaged in the national capital commission which runs something like this, that

on Parliament Hill we have a Gothic jewel in this house, the east and west blocks, and that this view must be preserved for all time. It is believed by these people that we must create a cocoon around Parliament Hill and must desist from building other structures which might detract from this main jewel.

We have heard a professor from the United States saying that Ottawa does not need large buildings and should grow horizontally, not vertically. However, he does not have to answer for the tax base, and so on, in this city. He is putting forward purely aesthetic principles. If one is talking about the rear of the national centre for the performing arts, that is one thing; but I believe Ottawa must have a skyline. I believe there is no purpose in having federally appointed members of a public body if they do not have to answer for these things.

I read in the newspaper that an architect yesterday said that the extension of Place de Ville was not acceptable to the federal government. If Place de Ville is not acceptable to the federal government, there is a very simple remedy; the Department of Public Works could simply refuse to lease space in this building and it will not be built. On the one hand we have the federal government stating that they wish to have office space within the city in order to provide those services which the federal government must provide, and on the other we have the group concerned with aesthetics, who say that such construction is neither necessary nor desirable.

• (5:50 p.m.)

It is quite understandable in my opinion that when members of the council of the city of Ottawa and other municipalities read such testimony given by the N.C.C. and see the actions of those responsible for leases in other government departments, they think that one government department is contradicting another, and they may feel that the time has come for a major reconstruction of the N.C.C. itself.

In this brief outline I have tried to suggest to members of the house the kind of problems about which we are going to have to think in the development of our national capital. Hon. members have already had an opportunity to observe such problems in dealing with air and water pollution as the conflict of jurisdiction, the lack of adequate definition of municipal authorities on the Ottawa and the Hull side of the river, and the lack of proper liaison between these authorities and the planning arm which the government has created. One government department enunciates one type of policy while another department appears to create another type of policy.

These are the kind of problems which I am sure are being carefully studied and are the subject of a good deal of discussion behind the scenes which must continue to take place. I invite hon. members of this house to continue to take an interest in the structure of the national capital, the form of government, and the instruments which must be created so that it will be a symbol of unity and pride for all Canadians.

Mr. Bigg: Mr. Speaker, may I call it six o'clock?

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, befare the house rises and in order that the hon. member for Pembina may continue on Monday I should like to annonce that the business of the house on Monday starting at 11 a.m. will be the continuation of the address debate.

The Acting Speaker (Mr. Richard): It being six o'clock the house will now rise until 11 a.m. on Monday.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, September 23, 1968

The house met at 11 a.m.

PATENT ACT—TRADE MARKS ACT

EXTENSION OF AUTHORITY TO GRANT LICENCES

Hon. Ron Basford (Minister of Consumer and Corporate Affairs) moved for leave to introduce Bill No. C-102, to amend the Patent Act, the Trade Marks Act and the Food and Drugs Act.

Motion agreed to and bill read the first time.

HOUSE OF COMMONS

SPECIAL COMMITTEE—PROCEDURES RESPECTING INSTRUMENTS IN VIRTUE OF STATUTES

On the order: Government notices of motions:

That a special committee of 12 members, to be named at a later date, be appointed to consider and, from time to time, to report on procedures for the review by this house of instruments made in virtue of any statute of the Parliament of Canada.

SPECIAL COMMITTEE TO CONSIDER PROCEDURAL CHANGES

On the order: Government notices of motions:

That a special Committee of twelve members, to be named at a later date, be appointed to consider and, from time to time, to report upon the advisability of making changes in the orders concerning the business of supply, the business of ways and means, the stages of the legislative process, and the operation of the standing committees of this House; upon the advisability of making permanent, with or without amendment, any or all the several changes in the procedures of this house that were in effect prior to the dissolution of Parliament on April 23, 1968; and upon the advisability of such other changes as the committee may deem suitable to promote the more expeditious dispatch of the business of the House; and

That this special committee is hereby instructed to make its reports to the house prior to December 1, 1968, and to include in its reports drafts of proposed standing orders drawn to give effect, if adopted by the house, to any change or changes that may be proposed by the committee.

Mr. Speaker: Pursuant to section 2 of standing order 21, these notices of motions are transferred to and ordered for consideration under government orders at the next sitting of the house.

29180—21

RESEARCH

REQUEST FOR STATEMENT ON CANCELLATION OF GOVERNMENT PROJECTS—SATELLITE COMMUNICATIONS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Prime Minister. In view of the announcement made outside the house on Friday regarding the cancellation of the ING project, and the climate of uncertainty surrounding Canada's scientific policy and the widespread concern that Canada is losing any scientific initiative, does the government intend to make a positive announcement shortly on alternative science projects and on the future role of Atomic Energy of Canada Limited?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the science policy of the government is being studied in a continuing way by the government. These cuts came in areas where they were needed for economic reasons, and they do not detract from our intention to have in Canada a science policy that is forward looking.

Mr. Stanfield: A further supplementary question, Mr. Speaker. In view of the fact that this is the third Canadian scientific project from which government support has been suddenly abandoned—the others being the HARP project and the Queen Elizabeth observatory—will the Prime Minister undertake to table the scientific reports upon which these decisions were based? Also, will the Prime Minister, with a view to reassuring the country that scientific projects will not be the scapegoat of spending in other fields, make a clear statement at an early date as to what is Canada's science policy?

Mr. Trudeau: Mr. Speaker, the decisions to stop these projects were of course partly scientific in origin but also largely economic. Earlier on, the minister stated in the house that we will consider whether the report on the telescope will be tabled, and I hope it will be tabled as soon as all the other matters dealt with in this report have been made the objects of government policy.

Inquiries of the Ministry

SATELLITE COMMUNICATIONS PROJECT

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): A supplementary question, Mr. Speaker. Can the house expect shortly a statement on the satellite communications project, which was generally considered the alternative expenditure of funds?

Mr. Trudeau: Mr. Speaker, this satellite project has been the subject of a report by a task force and it is being considered by the Postmaster General. It will be a matter of policy taken up in the new department under his authority.

[*Later:*]

Mr. Ed. Schreyer (Selkirk): Mr. Speaker, my question is directed to the Postmaster General. Could the minister indicate whether it is the intention of the government to introduce at this session of parliament legislation to establish a Canadian space communications satellite corporation?

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, we have every intention of introducing legislation during this session establishing a satellite corporation.

LABOUR CONDITIONS

LAUZON, QUE.—CLOSING OF SHIPBUILDING PLANT

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I should like to address a question to the Minister of Forestry and Rural Development and ask him whether he has received a letter from a committee in Lauzon regarding the situation of the 800 or so unemployed as a result of the closing of the shipbuilding plant there, and if so what steps he is taking to ensure employment for most of the 800 who are still without work.

[*Translation*]

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, I read in the newspapers about that letter having been sent to me. Unfortunately, I have not seen it and I do not know if it has been received. I will check this morning, and as soon as I have read the letter, I will be able to tell the hon. member for York South what steps we intend to take.

[Mr. Trudeau.]

[*English*]

Mr. Lewis: I should like to ask a supplementary question of the Minister of Manpower and Immigration. Can he tell us whether, as a result of the continuing unemployment of approximately 780 men out of the 800, he has recently taken any steps to deal with the situation there, or is the old organizational work just being continued?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, the services of the Canada manpower centres are available in these circumstances as are the other services of the department. I should not like to associate myself with the hon. member's description of these as being old programs. In fact they are relatively new, and proving effective.

Mr. Lewis: I have a further supplementary question. In view of the fact that to date the availability of manpower services has not been sufficient to find work for the 800 men affected, is the minister giving thought to any new approach or any new program to deal with this particular situation?

Mr. MacEachen: Mr. Speaker—

[*Translation*]

Mr. Bernard Dumont (Frontenac): Can the hon. Minister of Forestry and Rural Development tell us whether the courses—

[*Later:*]

[*English*]

Mr. Lewis: Mr. Speaker, may I draw your attention to the fact that the minister wishes to answer my question?

Mr. Speaker: Order, please. I did not realize the minister was rising for the purpose of replying to the supplementary question.

Mr. MacEachen: Mr. Speaker, I wish to assure my hon. friend that we have different approaches under consideration at all times.

Mr. Lewis: I am sorry I drew your attention, Mr. Speaker.

[*Translation*]

DAVIE SHIPBUILDING—OFFER OF RETRAINING COURSES

On the orders of the day:

Mr. Dumont: Mr. Speaker, I would like to put a question to the hon. Minister of Forestry and Rural Development.

Can he assure us that retraining courses were offered to all the former employees of Davie Shipbuilding?

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, retraining courses were offered to all the employees. Some of them did not show up to meet the representatives of the Department of Immigration.

On the other hand, when the figure 800 is used in the house, it had better be checked. There were never 800 permanent employees at Lauzon. The average was 500 employees and most of them were not permanent.

Mr. Dumont: Mr. Speaker, I have a supplementary question to put to the minister. How many temporary employees worked in the shipyards at Levis?

Mr. Speaker: Order. The member is asking information much too detailed in nature for the question to be allowed now.

[*English*]

REQUEST FOR PLANS TO STIMULATE INDUSTRIAL ACTIVITY

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): My question is addressed to the Prime Minister. In view of the announcement of the Dominion Bureau of Statistics on Friday that 72,000 more people are unemployed in Canada today than were unemployed one year ago, is it the intention of the government to announce in the very near future plans to stimulate industrial activity in the country as a means of countering the growing tendency toward increasing unemployment?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, all our fiscal and monetary policies are aimed at reducing unemployment. As to the figures, I understand that unemployment has fallen by one tenth of 1 per cent in one month, which is a step in the right direction.

Mr. Hees: A supplementary question, Mr. Speaker. Does the Prime Minister not concede that the kind of statement he has just made is identical to the kinds of statements his colleagues have made during the past two years during which time this country saw unemployment growing steadily?

Mr. Speaker: Order, please.

Inquiries of the Ministry

CANADIAN CONSTITUTION

POSSIBILITY OF ESTABLISHING REPUBLICAN SYSTEM OF GOVERNMENT

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I wish to direct my question to the Prime Minister in connection with the coming constitutional conference. Has the federal government received from the Quebec government or indeed from any other provincial government a suggested formula for the setting up of a republican system of government?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the continuing committee of officials which has met already twice and which will be meeting again later this week has received from various governments in Canada briefs stating their position. I have said before that these briefs were submitted by the various governments in confidence to this committee of officials to be the basis of discussion. I do not know of any government which has released any brief such as that referred to by the hon. member.

Mr. Woolliams: Would the Prime Minister at this stage state whether he and his government would entertain any formula along the lines of a republican system of government as suggested by some members of his party.

Mr. Trudeau: Well, when I refer to the subject of republican government as it appeared in the press this morning and referred to by the hon. member, I do not wish to talk of any position of a specific government. I know of course of the briefs which have been submitted by the various governments to us and the positions they take. These positions are for discussion by governments, and these discussions at this stage are still private.

Hon. Robert L. Stanfield (Leader of the Opposition): In view of the fact that parts of the subject matter under discussion seem to be leaking out and in view of the danger that the Canadian people might perhaps get a garbled and distorted view of the proceedings, despite the best efforts of the press, would the Prime Minister reconsider his refusal to give a progress report on what is going on and seek the permission of the respective provincial governments to make such a report to this house.

Mr. Trudeau: At the meeting of the continuing committee this week we intend to

raise with the officials the question of publicity to be given to the debate which will be taking place we hope late in November or early December between the heads of governments. But the position taken by the officials themselves on instructions from their governments was that the continuing committee was not to be the subject of any publicity. We have no reason to believe that any of the governments wish to change their position on that.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, in connection with this matter of republicanism, in the light of the view expressed by the Prime Minister on the very fine show the other night, and when the Liberal convention was before the people, when he was asked about the Queen and stated, as I recall it, that he does not give a damn about the Queen, and in view of the fact that the Secretary of State voted for the abolition of the Queen in a motion before the Liberal association of Quebec, would the Prime Minister tell us what the attitude of the government of Canada is on the preservation of the monarchy.

Mr. Trudeau: I would be very happy to make a statement on this subject. I must preface it by saying that the memory of the right hon. gentleman is incorrect when he says that I said I did not give a damn about the monarchy. My position...

Mr. Diefenbaker: What did the right hon. gentleman say?

Mr. Trudeau: The other night on television—if this is your request, sir—I said we were not the kind of government that found it necessary to make a parade of its loyalty every once in a while. My position, sir, as I stated during the election campaign and many times before, and which I have even put in writing, is that I do not believe in attacking the symbols which are important to other people. I believe the monarchy in Canada is an important symbol to many people. I think more energy would be lost in Canada by debating this subject than would be gained by our institutions. This is my position, Mr. Speaker. I can say that our government has never considered this a subject for debate. Therefore, we will continue to respect the institutions that we have until such time as the people of Canada wish to change them.

[Mr. Trudeau.]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary question for the Prime Minister, particularly in relation to what my leader said. Admitting the need for governments to consult and experts to consider the details, does not the Prime Minister feel that it is now time to drag this matter out of the secret corners where it has been hidden, and to consider establishing a parliamentary committee so that the nation and parliament will have some say in connection with this very important issue?

Mr. Trudeau: Mr. Speaker, more than a year ago I said that there would be some disadvantage in having a parliamentary committee debate this question, until the opposition parties had made up their minds whether they were for one form of federalism or another. I think that as a result of the election we were not able to see very clearly what was the position of the opposition.

Mr. Speaker: The hon. member for Churchill.

Mr. Woolliams: A further supplementary question, Mr. Speaker.

Mr. Speaker: Order. Would the hon. member kindly resume his seat. The chair has recognized the hon. member for Churchill.

HEALTH AND WELFARE

INDIANS AND ESKIMOS—FEDERAL PROVINCIAL DISCUSSIONS

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. In view of the statement made by the minister of health of the province of Ontario, as reported in the *Globe and Mail* this morning, to the effect that the federal government is trying to unload its traditional responsibility for health care of Indians and Eskimos on to the provinces without discussion or consultation, can the minister say whether there has been consultation between the federal government and the provincial health ministers in regard to this matter?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker, there has been consultation. Having also looked into this matter as a result of the publicity given it this morning, the hon. member will understand that I would prefer to make a fuller statement later on.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a supplementary question. I should like to ask the Minister of National Health and Welfare whether the directive sent out by his department last April indicating that traditional health services to our Indian citizens were being cut back or discontinued as part of the government's austerity program has been rescinded, and replaced by a more positive statement on this matter, as promised by the then minister?

Mr. Munro: Mr. Speaker, we are going to maintain our present level of services, but again I should like to take this aspect into account as well in the statement that I am going to make with regard to the whole matter later on this week.

Hon. Robert L. Stanfield (Leader of the Opposition): A further supplementary question, Mr. Speaker. I would ask the minister to make his statement in the house, in view of the tendency of ministers to make statements outside the house where they cannot be discussed or debated.

Mr. Dinsdale: A further supplementary question, Mr. Speaker. Would the minister indicate whether the original order has been replaced, as promised last April, by a more positive statement on this matter? I am referring to the order that went out to all Indian chiefs across the country.

Mr. Munro: Mr. Speaker, my understanding is that my predecessor did indicate to the house that this matter was being reviewed and that the present level of medical health services to the Indians would be maintained. So to that extent, the answer is yes, it has been rescinded.

Mr. Simpson: A supplementary question, Mr. Speaker. In his reply to my question the minister said that there had been consultations. Can he now say with whom those consultations were held, whether they were held with the health ministers or with the Indian people themselves?

Mr. Munro: Mr. Speaker, my understanding is that there has been continual discussion between officials of my department and officials of the respective health departments in the provinces. As to the number and type of such meetings and consultations that have been held, I intend to deal with that matter in a statement which, I assure the hon. member, I shall be prepared to give the house later in the week.

INDUSTRY

AUTOMOBILES—INCREASED PURCHASING AND PRODUCTION IN CANADA

On the orders of the day:

Hon. D. S. Harkness (Calgary Centre): My question is directed to the Minister of Trade and Commerce. Considering the minister's previous answers regarding Canada's share of north American auto production in the 1969 model year, and considering that no special undertakings have been given by the three major auto producers as to the extent of any production increase, will the minister insist that the industry give undertakings similar to those given in 1965 to increase its purchasing and production in Canada by a specific dollar amount?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, that is a long question and I hope I shall be given the opportunity to make an equally long answer. I have already reported at length on the negotiations I have had with the automobile producers. I have also referred to letters from the industry in which they show themselves to be not only totally in agreement with the pact but willing as well to continue and improve on it. I have also referred to reports that the companies have made available to the government, under regulations in the agreement, in which they have indicated their plans for the coming year. I have also indicated that I shall be in touch with the companies in January in order to discover their further plans for the next years.

Mr. Harkness: A supplementary question, Mr. Speaker. We have heard all that before. Will the minister say whether he will insist on an increase of a specific dollar amount?

Mr. Pepin: No, Mr. Speaker. I understand that this is not wise and that it puts the companies into the kind of strait-jacket that is not in the best interest of the development of the agreement, of the Canadian consumer or of the production side of this industry.

An hon. Member: Some people don't think so.

NATIONAL CAPITAL

INQUIRY AS TO ESTABLISHMENT OF PARLIAMENTARY COMMITTEE

On the orders of the day:

Mr. Barry Mather (Surrey): I wish to direct my question to the Minister of Forestry and Rural Development. Considering the controversy which has arisen as the result of the sky

line of our national capital being threatened by private building schemes, I wonder whether the minister could take steps to expedite the establishment of the parliamentary committee on the national capital, the setting up of which was approved in the previous parliament?

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, I think I answered this question on Friday when I said I would look into this matter quickly. I hope this week to be in a position to make a report to the house.

TRADE

WHEAT—REQUEST FOR STATEMENT ON EXPORT SALES

On the orders of the day:

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): My question is addressed to the Minister of Trade and Commerce in his capacity as reporting to the house for the Canadian Wheat Board. In view of the extremely low grain delivery quotas prevalent in western Canada at the present time and the resulting economic hardship facing farmers, can the minister advise the house if any major export wheat sales are in sight that might help to alleviate this serious situation?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, it is well known that negotiations will be held before long with the Russian and Chinese governments and that extreme efforts are being made to develop markets all over the world, as well as to avail ourselves fully of access to existing markets.

Hon. D. S. Harkness (Calgary Centre): Has the minister received a report from his officials who attended last week's meeting of the major wheat exporters in Canberra, Australia, and if so would he indicate to the house the nature of this report?

Mr. Pepin: On Thursday afternoon at the end of the question period I received a telegram containing a communiqué issued at the end of that meeting and I read part of it in the house. I will send the full communiqué to the hon. gentleman if he so wishes.

[Mr. Mather.]

[*Translation*]

DUMPING—REFERENCE OF WHITE PAPER TO COMMITTEE

On the orders of the day:

Mr. Gaston Clermont (Gatineau): Mr. Speaker, in the absence of the Minister of Finance I wish to put a question to the acting minister or to the right hon. Prime Minister.

Last Friday a white paper on anti-dumping was given out to us. As it seems that a deadline has been set for the passing of the anti-dumping legislation, I should like to ask the minister when the bill will be introduced in the house and when it will be referred to a committee of the house for consideration?

[*English*]

Hon. Donald S. Macdonald (President of the Privy Council): Perhaps I might reply to that question. It is the intention of the government at an early date to refer the white paper to the standing committee on finance, trade and economic affairs, and, when the committee has reported its conclusions on the white paper, to submit a bill to the house based on those conclusions.

[*Translation*]

HOUSING

AVAILABILITY OF MORTGAGE FUNDS

On the orders of the day:

Mr. Ralph Stewart (Cochrane): Mr. Speaker, I intended to put a question to the Minister of Transport but, in his absence, I should like to direct it to the Minister without Portfolio who is responsible for transport.

As a partial solution to the housing crisis and particularly to the lack of mortgage funds, could the hon. minister ask Canadian union leaders to grant mortgage loans to their members instead of sending money to the United States, as they are doing now?

Mr. Speaker: The hon. member will surely understand that his question is too general and should not be asked at this time.

FINANCE

FOREIGN INVESTMENTS BY CANADIAN CORPORATIONS

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish to direct my question to

the hon. Minister of Industry, Trade and Commerce.

I wonder if the hon. minister could table in the house a copy of the so-called guide lines issued on three successive occasions, May 3, July 24 and last week, to Canadian corporations with regard to their investments abroad?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I shall be pleased to table them tomorrow, Mr. Speaker.

[*English*]

EXTERNAL AFFAIRS

NATO—PARTICIPATION BY CANADA IN MINISTERIAL DISCUSSIONS

On the orders of the day:

Hon. J. A. MacLean (Malpeque): I should like to address a question to the Prime Minister and ask him whether he is prepared to take the house into its confidence with regard to the general tenor of the talks between himself and some of his colleagues and Mr. Brosio, Secretary General of NATO, particularly with regard to Canada's participation in a forthcoming discussion at the ministerial level concerning NATO problems?

Right Hon. P. E. Trudeau (Prime Minister): I must thank the hon. member for his question because it gives me the occasion to say that the distinguished Secretary General of NATO is present in the gallery this morning.

Some hon. Members: Hear, hear.

Mr. Trudeau: Mr. Brosio has himself described this meeting as routine; it is his policy to visit member states every so often, especially to make contacts with members of a new government. Several ministers and I will be meeting Mr. Brosio later today.

Mr. MacLean: Is the government yet in a position to make any statement on its policy having to do with reassessment of Canada's role in NATO?

Mr. Trudeau: No, Mr. Speaker, certainly not before our meeting this afternoon.

NATO—PROTESTS AGAINST REDUCTION IN STRENGTH OF FORCES

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question to the Prime Minister. In connection with the belief in many circles that the government of Canada has in mind cutting down its forces in NATO, would the Prime Minister advise us whether there is any basis in fact for the statement made by Mr. Mackie of the Winnipeg *Free Press*—a very reputable writer—

An hon. Member: Explain.

Mr. Diefenbaker: —I am glad to see the approval over there—that strong notes of protest have been received from the British government and from the United States government against any proposal to reduce the strength of NATO forces at this time? What has been the reply of the Canadian government?

Mr. Speaker: Order. I might mention that it is not in accordance with the rules of the house to ask that a minister confirm or deny statements appearing in the press. However, the Prime Minister may wish to make his response without reference to this aspect.

Mr. Diefenbaker: I thought the name Mackie might strike a warming note over there.

Hon. Mitchell Sharp (Secretary of State for External Affairs): I would have thought that after all his years in the house the right hon. gentleman could frame his question with greater ingenuity.

Since the Soviet military intervention in Czechoslovakia, we have been in consultation with our NATO partners both bilaterally and in NATO context. In the course of these consultations the view has been expressed by the British, among others, that there should be no reduction in NATO's forces in the present situation. This is clearly reflected in the NATO communiqué of September 4, whereby NATO members—

> —affirmed the necessity of maintaining NATO's military capability and of taking into account the implications of recent developments in eastern Europe in the planning of their national forces. The over-all capability of NATO's forces, including their structure and levels, will be kept under constant review in the light of changing political and military circumstances and will be re-examined at the next ministerial meeting.

So we have received representations about the general level of NATO forces but they have not been directed specifically to Canada.

Mr. Diefenbaker: Now, would the minister answer the question: Did the British government send to the Canadian government since September 4, the date of the communiqué, a note of strong protest against any suggestion that Canada might consider a reduction in its NATO contingent, in the light of the uncertainty of the statement made by the minister?

Mr. Sharp: The answer is, no, Mr. Speaker.

Inquiries of the Ministry

[*Translation*]

BIAFRA—SALE OF ARMS BY GREAT BRITAIN TO NIGERIA

On the orders of the day:

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I wish to direct a question to the Prime Minister.

In view of massive slaughters going on in Biafra, could the Prime Minister assure the house that he made strong representations to Great Britain in order to have stopped the sale of arms by that country to Nigerian federal troops?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I will only say that the Secretary of State for External Affairs has already answered that question.

[*English*]

BIAFRA—POSSIBILITY OF SUSPENSION OF DISCUSSIONS—TABLING OF LETTER TO SECRETARY GENERAL

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy Royal): Mr. Speaker, I would like to ask the Secretary of State for External Affairs if he can assure the house that he will not suspend discussions with other nations as to a possible initiative regarding Nigeria-Biafra until he receives an answer to his somewhat extraordinary letter to U Thant?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I can assure the hon. gentleman that we are continuing our discussions in the United Nations looking for some way that would assist in dealing with the humanitarian aspects of this terrible tragedy.

I wonder, Mr. Speaker, whether the house would permit me to suggest that we should revert to motions so that I could table copies of the letter I wrote to the Secretary General of the United Nations.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

The house having reverted to the order for motions:

Mr. Speaker: Has the minister leave to table the document in question?

Some hon. Members: Agreed.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a supplementary question to the Secretary of State for External Affairs. Would the minister not agree that in the case of the Biafran question the objective of placing it on the agenda of the United Nations should not be primarily to demonstrate support for Canada's views but to force other nations to take a stand on this question?

Mr. Sharp: Well, Mr. Speaker, one of the reasons I felt it desirable to address a question to the Secretary General of the United Nations was to try to find some way of bringing this matter before the United Nations that would not result in a sterile debate on the future government of Nigeria and would concentrate instead on the humanitarian aspects of this tragedy.

Mr. Andrew Brewin (Greenwood): As a supplementary question, Mr. Speaker, could the minister tell the house whether in the various consultations he has had he has discussed this matter with the Scandinavian countries and the government of Zambia, all of which have shown a tremendous interest in practical humanitarian solutions to the problem?

Mr. Sharp: Mr. Speaker, it was largely as a result of our consultations with like minded countries, such as the Scandinavian countries, that we decided to send this letter to the Secretary General of the United Nations.

CZECHOSLOVAKIA—ASSISTANCE TO CANADIAN NATIONALS FOLLOWING RUSSIAN MILITARY ACTION

On the orders of the day:

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs. Has his department received any requests for assistance from Canadian nationals who were visiting Czechoslovakia during the recent Russian invasion and, if so, have all requests for assistance been taken care of?

[*Later:*]

Mr. Harding: Mr. Speaker, the earpiece must not have been working for the minister so I should like to repeat my question. Would the Secretary of State for External Affairs indicate whether his department has received any requests for assistance from Canadian nationals who were visiting Czechoslovakia during the recent Russian invasion and, if so, have all those requests for assistance been processed?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to take that question as notice in order that I may make a full and accurate reply.

NATIONAL DEFENCE

NATO—PRESENCE OF SOVIET SHIPS AT NAVAL EXERCISES

On the orders of the day:

Mr. J. P. Nowlan (Annapolis Valley): I have a question for the Minister of National Defence. Has the minister any statement to make on the presence of Soviet ships along with our ships at the present NATO exercise in the north Atlantic?

Hon. Leo Cadieux (Minister of National Defence): The only report I can make is that we know the ships are there and following us. I think they know that we know that they know.

Some hon. Members: Oh, oh.

Mr. Nowlan: Perhaps we could have joint exercises! Have we ever shadowed Soviet ships on their exercises?

Mr. Cadieux (Labelle): I hope they do not know, Mr. Speaker.

Some hon. Members: Oh, oh.

INDIAN AFFAIRS

SASKATCHEWAN—DISCUSSIONS RESPECTING RESERVES

On the orders of the day:

Mr. Len Marchand (Kamloops-Cariboo): I have a question for the Minister of Indian Affairs and Northern Development. Can the hon. gentleman advise the house whether, when he met with the Premier of Saskatchewan on his recent trip, there was any discussion regarding outstanding land commitments to the Saskatchewan Indians under treaty, and if so what were the results?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I met the Premier of Saskatchewan last Friday morning and I am happy to inform the house that he has assured me that he intends to respect all the Indians' treaty rights.

[*English*]

ESTABLISHMENT OF LAND CLAIMS COMMISSION

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): In the light of the minister's statements at the Indian-Eskimo Association meeting over the week end in London, Ontario, can the hon. gentleman indicate when the Indian land claims commission is to be set up?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we intend to table the bill in the House of Commons in the weeks to come.

[*English*]

Mr. John Burton (Regina East): As a supplementary question, Mr. Speaker, I would like to ask the Minister of Indian Affairs and Northern Development if he is now in a position to make a statement with regard to the disposition of the outstanding Indian claims for reserve land in the province of Saskatchewan?

[*Translation*]

Mr. Chrétien: Mr. Speaker, that is a question that will be discussed during consideration of a bill to set up an Indian claims commission.

[*English*]

VETERANS AFFAIRS

REQUESTED INCREASED PENSIONS FOR AMPUTEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs. In view of the fact that there are only three or four veterans in Canada who are triple or quadruple amputees, and in view of the fact that the Woods committee has recommended that such disabled veterans be granted substantially more than the 100 per cent pension, will the minister look into this matter in the hope that action can be taken on this recommendation at an early date?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Yes, Mr. Speaker.

SHIPPING

ST. LAWRENCE RIVER—MEASURES TO PREVENT COLLISIONS

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I wish to direct a question to the Acting Minister of Transport, and may I say we are sorry that the minister is again away from his important portfolio today. In view of the recent unexpected Exchequer

Court decision which holds the federal government wholly liable in the St. Lawrence river collision between a West German ship and a Dutch ship on April 10, 1965, what immediate precautions is the government taking to prevent a recurrence?

Mr. Speaker: This question is very general in nature. If the hon. member knows of some urgency that is not clear to me, he now has a right to have this matter debated and considered at the time of adjournment.

Mr. Bell: I refer it to the late show on the first day the minister is in the house.

HARBOURS

ROBERTS BANK, B.C.—CONSTITUTIONAL JURISDICTION RESPECTING RAILWAY LINE

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. In view of the situation of continuing conflict concerning British Columbia Hydro's rail route to Roberts Bank, and in view of the fact that the provincial government controls a sole and vital link between two federal facilities, the port and the national railway system, what action does the federal government intend to take in regard to the problem of constitutional jurisdiction that is involved?

Mr. Speaker: This question should be placed on the order paper but again, if it is a question of urgency, the hon. member may give notice for debate at a later hour.

RESEARCH

ABANDONMENT OF INTENSE NEUTRON GENERATOR PROGRAM

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources, which relates to the announcement of the abandonment of the intense neutron generator program. Would the minister advise the house why this very important announcement, which was made on Friday while the house was sitting, was made by means of a press release rather than by a statement in the house?

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. The question is argumentative. I suggest to the hon. member

[Mr. Bell.]

that his question, to my way of thinking, is not in order.

Mr. Aiken: Then, Mr. Speaker, may I rise on a point of order. It relates to the practice of making these statements by press releases, when in fact they are very important government policy statements. I think it has always been admitted that statements of this type ought to be made in the house when the house is sitting. Certainly if the house is not sitting press releases are the obvious answer, but in this particular case the house was sitting on Friday afternoon when this statement was made, and the minister chose not to follow the usual practice.

Mr. Speaker: The hon. member has made his protest but I still suggest to him that it is not a regular point of order.

Hon. J. A. MacLean (Malpeque): Is it the intention of the minister to answer this question by press release?

Some hon. Members: Oh, oh.

HOUSING

REQUEST FOR FINANCIAL ASSISTANCE TO NATIVE PEOPLES

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I would like to direct a question to the Prime Minister. I wonder whether he is now prepared to give the house an answer to the question I directed to him on Friday when I asked whether the federal government had any plans to confer with the provinces with a view to setting up joint financial assistance in the field of Métis housing, a question which the Prime Minister did not answer at that time?

Right Hon. P.-E. Trudeau (Prime Minister): If it is a question of housing, sir, I probably did not answer because I feel it would be best answered by the Minister of Transport, who is also responsible for housing. I will ask him to consider giving an answer.

Mr. Simpson: Where is he?

AIR CANADA

REQUEST FOR ANNOUNCEMENT RESPECTING APPOINTMENT OF PRESIDENT

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the fact that

the office of president of Air Canada has been vacant for several months, and in view of the fact that the former president has made a very strong recommendation for a replacement in that post from within the ranks of Air Canada, could the Prime Minister advise the house when we may expect an announcement regarding the new president of Air Canada?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the question could be answered in this way, that there is a minister who is making a recommendation to the government after having studied this question very deeply and I hope that very soon—the eternal "soon"—we will be able to name this gentleman.

Mr. Hees: As a supplementary question, in view of the fact that this matter is being considered would the Prime Minister assure the house that the decision will be made on the basis of the man's qualifications, rather than political patronage?

Mr. Speaker: That question is argumentative.

Mr. Thomas M. Bell (Saint John-Lancaster): As a further supplementary question, would the Prime Minister give a firm assurance that there will not be a division of the responsibilities formerly carried out by the president of Air Canada?

Mr. Trudeau: No, Mr. Speaker. It is possible that we will want to consider the matter of restructuring the line of authority in Air Canada.

Mr. Bell: Is the Prime Minister suggesting he is considering a two president policy, something like the two flag policy of the Liberal government?

CANADIAN NATIONAL RAILWAYS

REQUEST FOR INCREASED PENSIONS FOR RETIRED EMPLOYEES

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in the absence of the Minister of Transport I should like to direct a question to the Minister without Portfolio, the hon. member for Winnipeg South (Mr. Richardson). Will the new government take up with the Canadian National Railways the question of increasing the pensions of retired employees of the C.N.R.? I think the hon. member for Winnipeg South would like to reply to this question.

Mr. Speaker: I assume the hon. member is directing his question to the minister, not to the hon. member for Winnipeg South.

Mr. Knowles (Winnipeg North Centre): That is right. I was just identifying which minister I meant. If the Minister without Portfolio does not wish to reply now, perhaps he would be ready to answer my question at ten o'clock.

CONSUMER AFFAIRS

DANGER ARISING FROM DISPOSABLE BOTTLES

On the orders of the day:

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to ask the Minister of Consumer and Corporate Affairs whether his attention has been drawn to the resolution of the city of Kitchener which points out the danger to the public arising from disposable bottles? If this serious matter has been drawn to his attention I would like to know whether he intends to conduct an investigation?

Mr. Speaker: I think the hon. member's very interesting question ought to be placed on the order paper.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I wish to direct my question to the Prime Minister.

Since the *Toronto Star* is acting like the *Pravda* at the present time, can the Prime Minister assure the house that there will be no leak of highly confidential information from the R.C.M.P.?

Right Hon. P.-E. Trudeau (Prime Minister): Yes, Mr. Speaker.

Mr. Dumont: Could the Prime Minister not order the R.C.M.P. to keep silent as he does his ministers?

• (12 noon)

[*English*]

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Friday, September 20, consideration of the motion of Mr. Eymard Corbin for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

The Address—Mr. Bigg

Mr. F. J. Bigg (Pembina): Mr. Speaker, my first words during this debate on behalf of the people of the district of Pembina must be of congratulation to yourself on your re-election to your high office. I should like to congratulate the hon. member for Kamloops-Cariboo (Mr. Marchand) and welcome him to this house. On the last occasion I spoke in the house I said I hoped very shortly that we would have a man here representing those people of the great Indian nations in Canada. From the contribution he has already made I know that we can look to him to be the champion of these first citizens of Canada.

The problems facing the Indian people are many and the hon. member's task will not be an easy one. For hundreds of years his people have been the neglected and forgotten people of Canada. The hon. member's chore for many years in this house will be that of bringing forward their problems. I assure him there are many of us in the house who will wait for his contribution and will be only too pleased and ready to give him all the assistance we can.

Let me also congratulate the hon. member for Hamilton West (Mr. Alexander), who made such a statesmanlike speech on behalf of his people in this chamber. He was positive, confident, balanced and optimistic. We are fortunate to have a man of this calibre representing his people. This is a man who not only has a different colored skin, he is a man who is already a great Canadian and we welcome him to this chamber.

I wish I could continue in this vein, Mr. Speaker, and spend the next few minutes in congratulating others, but what I have to say now touches on a note of sadness. We have as Prime Minister in Canada today a completely bilingual young man who came from favoured circumstances. He is a man who never experienced personal poverty and has had the advantages of higher education. As a result I expected that this speech from the throne would be a notable one in Canadian history. I thought that perhaps by putting aside any political feeling in these matters we might have with us again a new Laurier.

This speech from the throne is more notable for those things which were left unsaid than as a blueprint of a new, dynamic program for Canada. It appears to me to be a good example of the difference between a great deal of knowledge and little wisdom. The speech has been widely publicized and, unless I am mistaken, there has been a great deal of disappointment expressed even by those members of the press who were ready to give this man great kudos. This disappointment has been expressed by those who expected a change comparable to the conversion of Saint Paul.

I have heard from the Prime Minister's own mouth, and have read from what has been written by his own pen, certain things I never expected to hear or to see printed in Canada. There has been a direct attempt to create a division between the two great cultural peoples of Canada. He has not fooled anybody when at times he has slapped the face of his own people in order to get support from those he thought were not ready to support him.

There is hardly a member of this house who is not ready to follow a positive, loyal and dynamic approach to Canadian affairs. It is not good enough to say that we take for granted those ancient loyalties. It would be easy to say, about a man like the late General Vanier, that his past record of service to this nation left nothing to be desired. We do not have to look at or question his loyalty. However, when there is and has been a long period of doubt as to where one stands, it is necessary to make positive statements and to take a positive approach and stand in respect of loyalty to our Queen. Nothing less can be expected in this country of ours.

We have the right of free speech, even to the point of revolutionary free speech; I would not deny this to any man. When the Prime Minister of Canada speaks, whether he likes it or not he speaks for me and for my constituents. When he expresses loyalty to this nation, he must speak for all those with whom he does not agree politically.

Having regard to that part of the speech from the throne which has relation to international affairs, it is very important to me and to every other Canadian to know exactly where we stand on international affairs. It is not good enough to say, "Oh, we meet in conclave. I discuss with my ministers where we stand in NATO, where we stand with reference to Red China and the Soviet union." The predicament of Czechoslovakia, the situation in Rhodesia and Biafra and any other matter which impinges upon the rights and liberty of Canadians should be made clear to our citizens. We have a right to know. We are going back some 250 years, in the history of the British people at least, if Star Chamber tactics are resorted to. When Prince Henry IV kept company with such men as Falstaff and spent his life in pubs and

in riotous living he had an excuse. He said: "Some day I will come out from behind the clouds and shine in regal splendour."

I want to know when the clouds are going to disappear and when we will see the real leadership which we have a right to expect. I am tired of guessing and waiting. Obviously the people of Pembina constituency are too because there can be no doubt that they sent me here with a mandate to ask such questions as: Where do we stand today with reference to these matters? Where do we stand with regard to our loyalties? Where are we going, and how are we going to get there?

I hold in my hand a small pamphlet put out by the national Catholic weekly newspapers, a respectable organization. They want to know whether our broadminded attitude in international affairs may not be asking of the people of Canada too high a price. What did Czechoslovakia mean to us in 1938? A great many people said, "Nothing".

I do not speak for the prime minister of 1938. I was ready to do something about it when the great French culture was tottering to its ruin and the great de Gaulle was without a home, a country and an army. I think I have a right to speak. I was within 30 miles of Paris defending that great culture, and I defend that culture in Canada also. Don't think for a minute that the defence of a bilingual culture in Canada is the prerogative of any one party or person. We are all for it. When the tumult and shouting dies down, will there be anything positive in that wonderful dream, the new hope, the just society?

I spoke intentionally of our native Indian people. We cannot start to have a just society in Canada until we begin to deal with this question. I have in my hand a letter dated September 17, 1968, from the Saddle Lake band of the Cree Indians in northeastern Alberta. To make a long story short, they want to know whether the people of this country are going to live up to their treaty obligations. The Indian people of Canada have lived up to theirs. I do not believe this is any time for us to become legalistic regardless of whether we have been to Harvard and are able to interpret treaty No. 6 which gives these Indians their rights and makes it abundantly clear that we intended to give them medical treatment equal to that received by the white man.

We took away their Indian ways. We took away their medicine man and offered them equality with us in the white man's terms. To my mind, with my limited legal knowledge, this means we intended to give them the same kind of treatment as that given to our own people. There is a paragraph in the new directive which says that the doctors will decide whether or not Indian people are indigent. I presume that if they are not indigent they will not receive anything. The figure is set at $2,000 a year. The just society, in my opinion, means something more than merely attacking poverty at the lowest level. Let us start right here. To provide only $2,000 a year to any family in Canada is maintaining them at the poverty level.

We must provide medical attention if these people need it. It is being provided for the rest of the people of Canada—in fact we are forcing it upon the provinces—and surely to goodness we can give medicare to the Indians, that group of people in our country which can least afford to pay for such treatment. Is this what is called the white man's square deal? We talk about international affairs. Let us start our square deal at home.

We worry about the Biafrans as much as anybody else. I worry about these people. I am told we cannot get to the Biafrans in order to help them. There is nothing to stop us carrying out an airlift to Saddle Lake. There is a great deal of room for the Red Cross to touch down there and at the 31 Indian reserves in the district I used to represent, namely, Athabasca. Let us start at home.

Are we going to recognize Red China? That is a good question. Are we going to recognize Red China before Red China wants to recognize herself, according to the charter of the United Nations? Red China has made it abundantly clear that she does not want to sit in the United Nations until we banish nationalist China. We speak about countries that have a *de facto* government. There is a *de facto* government in Rhodesia and we did not hesitate to impose sanctions upon that country. Some of the more militant in this country suggested the imposing of military sanctions against Mr. Smith's government. His is also a *de facto* government. Let us be consistent. Is it possible that we were thinking about tobacco?

There is a *de facto* government in Czechoslovakia. I used to think there was a Czechoslovakian government but the friends of Red China—and they are not all in the Soviet union or Albania—seem to think the *de facto* government of Czechoslovakia does not mean a thing. If we live up to our obligations under NATO, we will be forced sooner or later to take the same stand as we did in 1939. I

believe that if we are firm now we could save perhaps millions of lives.

• (12:10 p.m.)

If we stood beside our allies in West Germany, the United States and Britain and showed there was no doubt whatsoever where we stood in NATO everybody would know where we stood. I am begging for consistency all the way through from the treatment accorded the Saddle Lake Indian reserve, to the United Nations and NATO. I want clearcut policies. I do not suggest that they should be decided in public but I believe the public has a right to know where we are going.

On June 25 we signed a huge, blank cheque which would appear to be valid for perhaps four years. What is the government going to do? I expected the Speech from the Throne to tell me some of these things. I know what the attitudes are. I have heard all the clichés. The just society is nothing new; Plato spoke about it 3,000 years ago. There are many members in this chamber who have read Greek authors. We know the old story, a square deal for everybody, but what are we going to do about it? We have the power to do something. I suggest that our plans for the immediate future—never mind 15 years from now—are picayune. Instead of trying to clean up poverty we should be seeking an affluent society for every Canadian. It will be difficult enough, with this type of program, to attack poverty. It will be a great deal more difficult, challenging and satisfactory to bring to Canada an affluent society. If we did this on a solid basis, and I think it could be done, we could be so strong at home that we could afford to be generous abroad. We could raise the standard of life in Canada to the highest in the world, because we have the resources both natural and human to do so. We have in this country people willing to work in order to achieve this goal.

To talk about supplying aid to other societies to the extent of a decimal point is not good enough. We can be of much more assistance to the rest of the world. If we doubled our own capacity for the good life we could give 10 per cent of the increase and never miss it. Instead seeking a 20-hour week under which we would share greater and greater poverty among more and more people, why not make our 40-hour week work? Why do we not challenge the people who are asking for consideration from those who are making money to help us earn it? I think they will want to do it. They do not do so because they lack leadership. If leadership is wanting because of a lack of personal experience, let me say there are 265 members in this house who are ready, willing and able to co-operate. I suggest that so far as we are concerned this parliament is not going to be a negative one.

Having pointed out the weaknesses in the Speech from the Throne I say that during the next four years we are going to press ahead and tell the people of Canada what this party stands for in the way of positive steps to bring about the affluent society. Let us stop concentrating on the negative, on poverty, and on those who do not think they fit into the Canadian society. Instead, let us give them good reasons and good opportunities to fit in. This will need the co-operation of both the young and the old.

While I am on this subject let me say that a great deal has yet to be done to repay our old people for the contribution they have made. When we ask the young people to make their contribution, let us remind them of their duty to the old and of their duty to the old standards. We can give them an education, but it will not be free; education is never free. If it is free, then it has to be made up for in effort. Young people in Canada today have never had such an opportunity. This house, the provincial legislatures and the municipalities are digging deep into the taxpayers' pockets to pay for education. I think it is high time that we, both in and out of the house, stopped telling the young people how badly they are using this money and instead tell them that we are willing to go hand in hand with them in helping them build an affluent society.

I am disappointed in the throne speech because it contains very little, if any, mention of the deplorable lack of housing and says little, if anything, about the high cost of mortgages. It says very little about the difficulties of transportation and the complete lack of transportation in the great northern and hinterland districts of Canada. It seems to me that it concentrates mostly on philosophical problems which, like poverty, will be with us always. I think we can take great steps forward in developing the natural resources of Canada with the roads to resources program.

We can do a great deal in housing if we make funds available to the right people. Of the hundreds of millions of dollars which parliament has voted for better housing in Canada, how much has gone into high-rise apartments, how much has been concentrated in

the hands of the already affluent, and how little has been given to those people who need housing the most, those in the low income groups and those living in rural districts? Housing is just as important to a person living on a farm or in a village as it is to those living in penthouses. Unless my information is wrong, most of the money has been going into mortgages for the building of high-rise apartments where money was not required in the first place. The affluent have always been able to build themselves penthouses and villas on the edge of great cities. It is to the medium and low income groups that this money should go.

Not only is money needed but much can be done in setting down regulations to stop the explosion in the price of land. We should have looked into the question of the sudden increase in the price of land long ago and should have prevented this disgraceful gambling with people's lives by way of mortgage money. When I lived in Ottawa 20 years ago many a lot could have been bought for $200. Today similar lots are selling for $7,000 or $7,500. This kind of money is not available to people with small incomes, to people living on civil service pensions, nor to our old people generally.

If we believe in a just society, this would be a good place to start. Let us stop worrying about whether or not Quebec will turn into a ghetto. I cannot control this. But I do stand here and beg the government to do something about housing, about mortgage money, and about transportation to and from our resources areas. Let us take a proper stand in NATO and in the United Nations to defend, support and protect the kind of just society which I was raised to respect and admire.

I remind the government that they received only 43 per cent of the total vote in the election.

Mr. Woolliams: It is a minority government.

Mr. Bigg: In the minds of the people of Canada, this government does not have a working majority. It is a minority government and the leadership of the Liberal party is a minority leadership.

I warn the Liberal party that it will take much statesmanship to hold that party together and for it to receive the co-operation it needs. We have all been lectured on our delinquency in this regard, and there is some reason for it. But let me say that a minority leader of a minority party should give heed to the finer instincts of the Canadian people because the same press which worships him today may not do so tomorrow. The press is alive and alert and wants to keep in touch with the Canadian people up to a point. But when the government and its leader go beyond a certain point let me assure them that the gentlemen of the press will continue to be the greatest security of the Canadian people. The fourth estate is not there by chance and when the breakdown occurs its members will be ready to interpret to the 43 per cent what the 57 per cent think. The 57 per cent are not thinking right now the way they did on June 25. They are looking for action and, as I said, they are not looking for this unknown object to appear from behind the clouds and indicate exactly what coloured light he will flash on the Canadian scene. It will not be good enough just to say:

I know you all, and will awhile uphold the unyoked humour of your idleness:

We can all quote Shakespeare if we want to, if we want to know how Prince Hal became Henry V and stood in the breach himself. Never mind telling me what my duty is to the crown. I want to know what kind of leadership the leader of the Liberal party will give to the country. Let him tell his party of their duty to the crown. Today the crown does not mean some obsolete institution across the ocean. Queen Elizabeth is the Queen of Canada by our choice, and at least 57 per cent of Canadians still feel that way about her. Make no mistake about that. It seems to me also that a great many in the ranks opposite feel exactly the way I do, and silence is not enough to convince me otherwise. We do not want silence. We want a clearcut stand on this matter. I do not think it is too late for the Prime Minister himself to take a clear stand, not in the offhand way he is so used to adopting as if he did not think it mattered much. I am telling him it matters a great deal.

I would be very pleased if he would add a postcript to the Speech from the Throne and send it to Her Majesty the Queen telling her that his loyalty, the loyalty of his party and the loyalty of the whole country are so immense as to be lost in blindness of devotion. I would be more than pleased to sign that document. Then I would go on into the next four years assured that one of the anchors of our very freedom would be upheld by a man worthy to be the successor of Sir Wilfrid Laurier.

• (12:20 p.m.)

Mr. Norman A. Cafik (Ontario): Mr. Speaker, the right hon. Prime Minister (Mr. Trudeau), the right hon. member for Prince Albert (Mr. Diefenbaker), leaders of the opposition parties, and hon. members on both sides of the house: May I join with previous speakers in offering my congratulations to the Speaker of this House of Commons on his unique election to this high and distinguished office. I should also like to congratulate the Deputy Speaker, who happens to come from my area. I affirm that the people of that area are justly proud of his achievement in being appointed Deputy Speaker of the House of Commons. May I also congratulate the hon. member for Madawaska-Victoria (Mr. Corbin), who moved the address in reply to the Speech from the Throne, and the seconder, the hon. member for Kamloops-Cariboo (Mr. Marchand).

I wish also to take this opportunity to congratulate the Prime Minister upon his electoral success which enabled him to form the first majority government since the election of 1958. This accomplishment, which has eluded so many since that time, is a certain indication that the people of Canada expect great things from our new Prime Minister. It has been said that the people of a country receive the government they deserve. I think the people of Canada deserve the very best and I believe they have it.

It is with a deep sense of pride and honour that I address myself to the House of Commons today in the throne speech debate. At the outset I wish to express my sincere gratitude to the people of Ontario riding who have given me the privilege of being a member of this twenty-eighth parliament. I wish also to assure them publicly that I shall do everything in my power to be worthy of the confidence they have placed in me.

In this debate all three opposition parties have moved non-confidence in the government. As a direct result they have tied up this house for seven days in what I consider to be a ceremonial debate which in my view does not further the cause of parliament or of the Canadian people whom we are here to serve. I realize it is traditional to go through this ritual, but if it were dispensed with perhaps parliament would be held in much higher regard by the Canadian people.

I feel that we would perhaps behave a little differently if in the galleries of this house all the Canadian people could be present and see

us acting on their behalf and doing the job for which we are being paid. I do not believe that by going through this debate we are serving any useful purpose. I wonder whether the opposition in moving its want of confidence motion really wished to defeat the government which the Canadian people elected on June 25. I do not believe they did. I really do not think they are willing to go back to the people at this moment of time to seek a mandate for themselves. I believe that the whole debate and their approach to it are an indication of their lack of regard and respect for the decision the Canadian people made on that date.

It is interesting to note that these seven days, by my calculation, have probably cost the government and hence the Canadian people approximately $1 million. What have we done? The opposition parties say that we must get to work. They say that the throne speech was a disappointment. They say that we have unemployment and a housing crisis. All these things are true. If we are genuinely concerned about serving the people we should dispense with this debate and get on with the business at hand so that we can deal with the problems which everyone on this side of the house wishes to deal with effectively.

If I might turn for a moment to the comments made by the Leader of the Opposition (Mr. Stanfield), he included in his remarks a statement that the government of this country is unworthy of the great confidence the Canadian people have placed in it. Personally I would rather rely on the collective wisdom of the Canadian people, as exercised at the ballot box, than I would on the judgment of the Leader of the Opposition who has a vested interest in being critical for criticism's sake.

Second, for some unknown reason which I do not understand he related this government to that of the beloved John F. Kennedy and found it to be lacking in comparison. We all loved Kennedy, I believe, but I do not think the leader of the Liberal party and Prime Minister of this country needs to take a second seat to any man, including that man whom we loved so much.

The Leader of the Opposition went on to point out that during the last election his party did not traffic in simple solutions. I do not know what justification there was for that statement, but there must have been some psychological reason for his using the word "traffic" in the first place. Perhaps it was because he was envious of the crowds and the traffic that surrounded the Prime Minister

during that campaign. The Leader of the Opposition speaks of the just society as merely an empty slogan and then goes on to use it as a meaningful one. I do not think it is an empty one. It is an ideal of the highest priority which I do not think can be overemphasized. I believe every member on this side of the house genuinely wishes to achieve this goal.

I believe that the just society means protection of individual rights, sharing of individual responsibilities, equality for everyone and privilege for none. I believe we can strive for this ideal but that we can never attain it. If this house sat from now until doomsday I believe that on that last day we would still be justified in seeking a just society because if one were achieved at this moment we would, since we live in a rapidly changing society, be causing injustices accidentally in various spheres. So there is always room to move forward toward the achievement of this objective.

The Leader of the Opposition said that the Canadian people and he personally have lost faith in our Prime Minister. Frankly I never knew he had any faith in him. I think it would be a good idea if he were to be fired with the kind of enthusiasm that we have for the future of this country and got away from the negative approach he seems to have employed.

During the last election campaign the Prime Minister of Canada was attacked by the Conservatives for being a radical socialist and accused by the New Democratic party of being a reactionary Conservative. This brings to mind a statement by G. K. Chesterton when at one time he spoke of the ideal man and said that the ideal man would appear too tall a man to a man who is too short, too short to a man who is too tall, too fat to a man who is too thin and too thin to a man who is too fat. The fact is he was just right. I think that is the problem the Prime Minister of Canada has; he is just right for this country.

Mr. Knowles (Winnipeg North Centre): Far to the right.

Mr. Cafik: May I comment now on what the hon. member for York South (Mr. Lewis) had to say. I am glad the members of his party feel the way they do but what they say is not quite true. They seem to feel they have the exclusive right to represent the working man, the common man, but they do not have any such exclusive right. They have never governed this nation. This nation has been governed since Confederation by the two major parties. We have done a great deal for the common man of this country and plan to continue to do so. I do not think it is fair, right or just to be critical of the two major parties at one stroke, as if we all suffered from the same sickness and none of us really cared for the ordinary man of this country. We do care and care deeply, and this is why we want a just society and are willing to work in order to achieve it.

• (12:30 p.m.)

The hon. member for York South spoke of the need today for a diverse system of education in order to enable people to find work in the rapidly changing society in which we live. I think the hon. member is right. However, perhaps he should listen to his own words, move on to the second stage of his education and get rid of some of the old 19th century concepts of economics which are completely outmoded today.

The hon. member for Témiscamingue (Mr. Caouette), whose colourful remarks I enjoyed very much, mentioned four principles of Social Credit. I agree with the first three but with regard to the fourth, which we would all love to have, may I say we are not living in the world of Dr. Pangloss where all things are as they ought to be and if a thing is physically possible it is financially possible. It would be wonderful if that were so, Mr. Speaker. Perhaps I could bring to the hon. member's attention a statement quoted some time ago in respect of money and its use, that if one's outgoing is greater than one's income, then one's upkeep will be one's downfall. This is one aspect that has not been recognized, that we just cannot create money out of the air. We have to work for it. We have to produce it before we can put it to work.

I should like for a moment to take note of some of the problems that I feel are of greatest concern to me as the member of parliament for Ontario riding and representative of the people of this area. I do not want to pretend in any way that these problems are confined to my area alone because many are national in scope. However, the people of the area in which I live, which suffers to some extent from being outside metro Toronto yet is a bedroom for it, have some very unique problems, and something must be done about them. Unfortunately, all of our problems cannot be settled at the federal level, but surely there is some way whereby, with co-operation and good will from those at the provincial

level, something can be done to alleviate the hardships of the people of my area.

First of all, there is the problem of housing. We have all heard a great deal about the housing situation today. Most of the members on the other side have indicated that we have not recognized the problem and are not moving on it. One of the problems for some of my constituents is that we are moving too fast. The task force on housing which has been set up is meeting in the Toronto area on the last day of this month and the first two days of the following month. Some people would like more time to prepare their briefs to this task force, but they do not have the time. Surely the reason for this is that we are so anxious to solve the problem that we cannot give them sufficient time. Housing is a great problem in our area. People desperately need homes, but those in the lower income brackets cannot afford them because of high land cost. Many of the people in my area cannot even afford to pay the property tax on their present homes.

I should like to bring to your attention, Mr. Speaker, that land taxes in southern Pickering township per $5,000 assessment are roughly $75 a year more than anywhere else in Canada. This is a burden that cannot be tolerated and must be overcome in some co-operative way. In addition, the present high interest rate on mortgages is a depressive factor. However, the government is doing something about this and interest rates have begun to fall. I hope that we can do more.

Many ordinary working men and women in my area are concerned about income taxes and particularly that such taxes be more equitably applied than is the case today. The Carter report has suggested some ideas that we could use in order to correct some of the injustices of the present tax system. I believe it would be in the interest of the nation thoroughly to study the Carter report and to implement as many recommendations as we can to equalize the tax burden on all the people of this country, so that none are privileged and none are taken advantage of.

Since half of my riding is an agricultural area, I should like to say that I believe much more can be done as well in this field. I should like to relate, if I may have your indulgence, a story about two farmers in order to illustrate the plight of the farmer today. These two farmers had bought sweepstake tickets. One farmer said to the other: "If you win the $100,000, what are you going to do with the money?" The other farmer gave the usual answer, which was that he was going to buy himself a boat and a cottage and might even tour the world. When he had concluded he turned to the farmer who had asked him the question and asked him what he would do with the $100,000. The first farmer replied: "Oh, I think I would just keep on farming till it had all gone". This, Mr. Speaker, illustrates the plight of many farmers, and something must be done to assist them.

I think something should also be done for the elderly people in my riding, as well as all across this great country, to offset the effects of inflation on those such as the retired who have to live on fixed incomes. They are caught in a cost-price squeeze that they really cannot get out of. An injustice is, I think, being inflicted upon these people about which something must be done.

I should also like to say a few words in connection with labour. This summer we have seen many strikes, though God knows I defend the right of labour to strike. Certainly I would do nothing to try to upset the balance of power, as it were, that exists today. But I think that with proper study we should be able to come to a solution which would settle labour problems in the interests of both sides and thus avoid any suffering by the Canadian people as has been the case in recent years.

I have the privilege of having two Indian reserves in my riding and I wish to add my comments and convictions to those of the previous speaker who so eloquently spoke on behalf of Indians and the need for justice to be done.

On the national scene I believe there are some basic and important issues, one of which is parliamentary reform. I think we must do something to give this parliament a system that will meet the needs of the 20th century. I do not think we can live with the rules of 1962. I believe that the Canadian people expect parliament to be able to respond quickly and energetically to meet their problems. I earnestly ask that all members of this house bring to bear what pressure they can on their leaders to bring about the achievement of workable rules for this house, rules that will allow us to move quickly in the interests of the Canadian people.

The primary challenge, in my opinion, is to feed the hungry of the world. This is the most important international issue. If we are to have peace we must eradicate the causes of unrest. I think the chief causes of unrest are lack of education, lack of food and lack of development. Since we are an agricultural

nation with so much food that we cannot use, I hope we will be able to find some way of using these resources to the benefit of people throughout the world who are starving.

In closing, Mr. Speaker, may I say I believe that the twenty eighth parliament will truly meet the high expectations of the people of this country. I sincerely hope and pray that God will guide us in our deliberations so that we too will learn as a nation to give to others as God has so generously given to us.

• (12:40 p.m.)

Mr. Cliff Downey (Battle River): Mr. Speaker, as a new member participating in the proceedings of this house I am deeply impressed by the high regard in which Your Honour is held by members on both sides of the house and by the genuine pleasure with which Your Honour's re-election as Speaker was welcomed. I add my congratulations to those already extended to Your Honour. I also congratulate the Deputy Speaker, the Deputy Chairman of committees and all those who have been appointed to discharge heavy burdens of responsibility as ministers of the crown or parliamentary secretaries.

May I also congratulate the hon. member for Medicine Hat (Mr. Olson) on his appointment as Minister of Agriculture. I feel he is well qualified for his post and I hope in the future to work with him in order to solve some of our problems to our common advantage.

My constituency, Battle River, is primarily devoted to Agriculture and its related industries, and I know that when one rides over the prairies, watches the snow drift like sand and listens to the coyotes howling at night it is possible to divorce oneself from the reality of the times. I think it is also possible to divorce oneself from reality in this House of Commons by reason of the clash of conflicting personalities or some members' search for personal acclaim. In our questions and debates we must remember, surely, that the four parties represented in this house are striving for the same end, the betterment of the life of all the people of this nation. We differ only in the means to that end.

The people of my constituency are perhaps not overly concerned about the political stripe of their federal representative in Ottawa. On the other hand, they are very much concerned about their livelihood, about the mortgages on their farms and about their mounting debts, as well as about the diminishing net return they obtain for their produce.

For years governments and economists have told farmers to become more efficient, and the farmers have answered this call. In 1949 the cost of the wheat in a loaf of bread was slightly over 3 cents; in 1967 that cost was a shade over 3 cents, and in 1968 it may be even less. How many in Ottawa today realize that if the farmer gave his wheat away a loaf of bread would still cost 26 cents?

The productivity of the worker in agriculture is far higher than the productivity of the worker in any other segment of our economy, with the result that the percentage of our net income which goes to feed us is today smaller than it has been at any time in our history. Canadian farmers have continued to sell their wheat at agreed world market prices at a time when almost all other wheat exporting countries have paid their wheat producers a support price.

When it comes to the manufactured goods that we sorely need and must buy if we are to become more efficient, we buy those goods at extremely high prices, in part brought about by the organizational strength of big business and labour. Tariffs protect industry, and we bear the expense; labour unions increase their demands and are given what they ask, largely at our expense. When we complain we are told to become more efficient. I ask the Prime Minister, where is our place in the just society?

When we examine figures that are available and look at the capitalization of the average farm, it appears that farmers as a class are fairly wealthy. I say that it is little consolation to live your life in poverty and die in affluence. Farmers are showing an increase in net worth only because land values have gone up, partly because of inflation and partly because more people are on this planet.

Many believe that the answers to problems facing farmers and businessmen are to be found by making money available cheaply by way of farm improvement loans, cash advances through the Farm Credit Corporation, and so on. Some ask, does that sort of thing not prolong the agony? For the good, efficient operators, yes, cheap money may be the answer. But it can also be a trap for the unwary and those unskilled in the use of capital. I ask, is there any point in forcing all but the exceptionally efficient operators off the farm? Men must live somewhere, and a problem farmer may well become a problem city dweller.

What our farmers need is a greater return in terms of real, net income for their produce, no matter where that increase comes from. The voices of agriculture—the people who represent farming, are not now and are not likely to be again a major political force in Canada simply because there are not many farmers. Nevertheless, may I remind the house that the agricultural segment of our population, small though it may be, is the leading purchaser of manufactured goods in Canada. If the purchasing power of our agricultural community is curtailed we shall be faced with the greatest depression in the history of our nation. With the productivity of workers being what it is in this country, the bulk of our industry is unable to compete in world markets. Our industrial complex needs the captive market that it has in the agricultural community. My greatest fear is that if the farmer, and particularly the western farmer, does not achieve his rightful place in the just society, separatist movements will arise in parts of the country other than Quebec.

Some hon. Members: Hear, hear.

Mr. Jack Cullen (Sarnia): Mr. Speaker, as a new member of the house I feel singularly fortunate to have been given the opportunity of making my maiden speech so early in the session. May I add my congratulations on your re-election to the office of Speaker. I do not think any finer tribute can be paid to a man than his election to a position of responsibility by his peers. I take it to be the consensus in this house that the time has come for the appointment of a permanent Speaker, and I can think of no man more appropriate to fill this post than Your Honour.

• (12:50 p.m.)

I also wish to express my congratulations to the Deputy Speaker. I know this appointment was warranted. I must say I watched this appointment with more than a casual interest because as a result of the hon. gentleman's elevation I too was elevated, from the second floor to a much larger office on the fourth floor.

I wish to pay tribute to the mover (Mr. Corbin) and the seconder (Mr. Marchand) of the motion for the address in reply. As teammates of Bobby Hull and Stan Mikita must have said in the past, I am happy they are on my team.

I represent the riding of Sarnia, before redistribution the historic riding of Lambton West. In addition to the City of Sarnia, the heart of the chemical valley, located on the southernmost tip of lake Huron and along the beautiful St. Clair river, dominated by the international Blue Water bridge, my riding also includes the townships of Moore, Sarnia Plympton, plus that proud-as-punch village of Point Edward, and lastly—and I place it last only because I wish to give it special emphasis—the Sarnia Indian reserve which lies wholly within the limits of the city of Sarnia. Members of the Chippewa nation reside on this reserve and I am proud to count myself an honorary member of the tribe. My Chippewa name is Pa-Mi-Noh-Ding. When given this name I was told of the reason and of the history of the name, and I must say it was most flattering, but when I tell you its translation I am certain that members of the house, more particularly those seated opposite, will be able to devise a more appropriate reason for my being given this name which means, "Travelling with the Winds".

New members sit here feeling humble but not too humble because we represent 60,000 to 70,000 people, in some areas more than this, and we have an obligation to speak, be it to make a maiden speech or to speak up in caucus, and when new members, without betraying the secrets of caucus meetings, speak in the house I trust that they are heard and listened to.

I read with considerable interest and delight Mr. George Bain's column in the *Globe and Mail* of June 28 headed, "Advice to the New Boys". Well, Mr. Bain, we were under no illusions that if elected we would end up immediately as members of the cabinet but I would have preferred, and I am sure other new members would have also, if the title of your excellent column had been "Advice to the New Boy's Constituents". Incidentally, two people in Canada were convinced that I had become a member of the cabinet. I was sorry to have to inform these two hopefuls that it was Bud Olson and not Bud Cullen who had become the Minister of Agriculture.

Listening to some of the addresses over the past few days it has occurred to me, as it may occur to other hon. members after hearing my address, that we could dispense with a great number of these speeches and get down to business sooner, and this would be my recommendation for rule change No. 1. Second, if I am to take up the time of this house I feel it is incumbent upon me to make

a few suggestions or to express a few ideas in the hope that one or more may be taken up.

The other day I heard a comment from an hon. member which indicated that the Liberals had placed no questions on the order paper. May I say, to him, Mr. Speaker, that this member and others have posed several questions directly to the ministers or to the departments involved. For example, I have directed to one of the ministers the question: how much revenue would the government lose if we were to increase the basic exemption for income tax for a married man from $2,000 to $4,000? That is, can we afford it?

I want to know if retired civil servants will receive an increase in their pensions. If so when, and if not, why not? I am not asking this question in the belligerent manner of the opposition but my question and my concern are no less sincere.

The Department of Public Works in a news release at the end of August, 1968, indicated that soil erosion tests had been taken with respect to the banks lying along the shores of the St. Lawrence and the St. Clair rivers and suggesting that some of this erosion might have been caused by heavily laden lake boats. I was interested because of soil erosion on Indian lands fronting on the St. Clair river. The news release indicated that subsidies would be available if erosion had been caused, to some extent, by these heavily laden lake ships. I toured in the R.C.M.P. boat and walked the full distance personally to observe the damage in this area. I then met with the Indian council and the Sarnia city council at a general meeting to hear their views. Following this I contacted the local inspector for the Department of Public Works, Mr. Dunphy, in London.

I wrote a letter to him and sent a copy to the Department of Public Works. I wrote directly to the Minister of Public Works (Mr. Laing). I spoke directly to the Minister of Public Works outside caucus and explained the problem to him so that he would be fully informed when the soil boring tests have been completed. Soil boring tests are a must, of course. I am happy to say that the Indian council has given permission to the city of Sarnia to conduct soil boring tests, that the city commissioner in Sarnia will make a report and a recommendation as to the type of construction of seawall which will be required to save the Indian lands in this area, which will then be submitted through appropriate channels for a decision. So questions are being asked and action is being taken.

As to my approach to questions affecting veterans, I would only say that I was 18 when the war ended but my father served in both world conflicts, in the Royal Naval Air Service in world war I and in the R.C.A.F. as a Squadron Leader in world war II. He then served as district administrator for the Department of Veterans Affairs in North Bay until his retirement. I know the plight of the veterans. In me they will find a sympathetic ear. I wrote to the president of the Royal Canadian Legion to let him know this—and when a lawyer and politician puts something in writing, you know he means it!

Prior to and after my election I had many discussions with Chief Fred Plain of the Sarnia Indian reserve. I had heard about consultation meetings to be held in Toronto and at my own expense and in my own time I attended the three-day session held there. I followed this up with discussions with the Minister without Portfolio (Mr. Andras) and subsequently directed questions to the Minister of Indian Affairs and Northern Development (Mr. Chrétien). Yes, Mr. Speaker, the Liberals may not have put their questions on the order paper and may not get the credit that such public notice often gives, but I would have you know that we are busy asking many questions, getting answers and, more important, getting action.

I indicated earlier that prior to redistribution the Sarnia riding was the historic riding of Lambton West. Canada's first Liberal prime minister, Right Hon. Alexander Mackenzie, came from my historic riding. Shortly—I believe on October 15—a memorial is to be unveiled in his honour in the city of Sarnia. I am also proud to report that my former associate, Mr. Ross W. Gray, Q.C. served in this house as a Liberal member from 1930 to 1945. For a considerable number of years he served the Liberal party as whip. Afterwards the area was represented by Mr. J. W. Murphy, a Conservative. I must say that notwithstanding our differing political views Mr. Murphy was good enough to contact me and give me some direction with respect to practice and procedure in the House of Commons. In 1962 Mr. Walter Foy was elected and thereafter contested three elections successfully. He retired because of ill health and is now enjoying his retirement in Florida.

I mentioned earlier that the Sarnia riding was known as the chemical valley. Rightly so, because situated along the St. Clair river are

such industries as Imperial Oil, Polymer Corporation, Dow, Dupont, Canadian Industries Limited, Ethyl Corporation and many other large oil and chemical industries. But the economic strength of the community does not rest solely on the base provided by heavy industry. Credit must also go to the farmer and to the small businessman who unfortunately receive little, if any, credit in an address such as this.

Some hon. Members: One o'clock.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Cullen: This morning during my opening comments, Mr. Speaker, I was unfortunately interrupted by the clock. I note there are some clock watchers on the other side of the house. However, I now wish to continue my remarks. I had mentioned that Sarnia riding is famous for its oil and chemical industries but I would also like to say that the economic strength of the community does not rest solely on the base provided by heavy industry.

In my area credit must also go to the farmer and to the small businessman who, unfortunately, receive little if any credit in an address such as this. It is easy to cite the larger and more well known industries and ignore the small businessman. Under the liberty provided by a maiden speech I would like to commend Manley's Bookstore; Keelan's, Phippins, Kirks, Lampel and Zierler furniture stores; Pauls T.V.; McKellar Flowers, Doug Keddy Shoes and Walker Brothers stores. In a list of established small businesses in our community it is impossible to name all the thriving small businesses, but by naming just a few I hope to honour them all.

A Liberal member is, of course, concerned with heavy industry and small business alike, and with the conditions of employment and the improvement of same. I submit that this is also the joint responsibility of the employer and the employee. It is the obligation of the numerous unions in our area to see to it that not only are these conditions set but that they are maintained through proper grievance procedures. I believe that working conditions in our area are second to none but I would hope that the labour unions and larger industries would work toward their improvement. As a touring campaigner, and prior to that as an ordinary citizen of the community, I have looked into many of the industries and I recognize that there is definitely room for improvement.

I think it is unfortunate that the man in the street all too often takes exception to the chip on the shoulder attitude of labour unions and as a result much of the good work of a labour union is lost because of poor public relations. I am pleased to state that in my area this image is improving steadily. Recently at a Labour day parade a member of the provincial parliament and myself, both of us having been members of labour unions in their early days, expressed the opinion that a Labour day parade should contain not only members of unions but should be a tribute to labour and should be a parade of employer and employee.

In conclusion, Mr. Speaker, as a new member I wish to make two comments. I think that most new members were caught up in the recent election with a sense of responsibility for our communities and the people who live in them. This is applicable as much to other parties as to mine. I should like the Canadian people to know that we are not down here in Ottawa as retired businessmen. We are down here as working men prepared to do a job. We are also intelligent enough to realize that our contribution must be small at the beginning. But we would hope that by doing a small job well we will be given an opportunity to perform larger tasks at a later date.

Second, and on a more partisan basis, as a member of the Liberal party I am convinced that the government of this country is in capable hands under outstanding leadership. There are too many people today who would say that the Liberal party with its great majority should take the bit in its teeth and press on, but I would remind these people that a horse that takes the bit in its teeth soon loses all sense of responsiblity and direction.

We have an obligation to lead. We will lead. We will put our legislation on the order paper and that legislation will be debated as it should be debated. Changes will be made where they should be made, and it will ultimately become the law of the land. It will then be for the people of Canada to speak out in four or five years time and they can be the ultimate judges of whether the legislation has been good or bad for the country. I am proud

to have been given an opportunity to play a small part.

I wish to make one apology to mes amis Canadiens qui parlent français: je ne parle pas français. When I lived in Northern Ontario and worked in construction and underground, I had many supervisors who spoke only French. I spoke only English, yet we were able to communicate one with another and get on with the job. Most of the French directed at me was of a dialect type, and many times I heard the expression "hurry up—dépêche-toi." I say to both sides of the house that with respect to the business of government all Canada is saying, "hurry up—dépêche-toi."

Some hon. Members: Hear, hear.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my first words must be those traditional ones, not in any way perfunctorily conveyed, of congratulation to the mover and the seconder of the address in reply. I congratulate them on the manner of their delivery. If I at any time question the content of their remarks they will realize I have no personal motivation at all.

• (2:40 p.m.)

I am so happy, Mr. Speaker, that we in this parliament have achieved the enviable situation whereby we have a continuing Speaker presiding over our deliberations. I was never one of those who had any sympathy for the artificially contrived suggestions as to how we should arrive at a permanent Speakership. I have always believed that the Speaker should be one of the members and that when a given member received the accolade of trust and confidence of his fellows then in fact we would be dealing with this situation as it should be dealt with. I am quite happy this time has come.

There is much that one could say about the throne speech. It is an old canard, of course, that the opposition maintains there is nothing in it but finds opportunity to discuss it for a good many days. I would like to support what my colleagues from the Atlantic provinces have said so far. They have mentioned the burning question of regional economic disparity. Let me say that some of us from that region did not need the words from the Economic Council of Canada to know that disparity existed, that poverty was prevalent and that there were many areas of need. I do say that the whole question has been brought to a new and high level by the immense fairness and, indeed, the brilliance of the discussion which the Economic Council has produced. I hope that the government, which I trust will be more sensitive than I feared, will listen, heed and follow the advice and the suggestions of such an eminent and important body.

I suppose in a way we are all new members here in that the process of the changes in representation has caused nearly everyone to represent a new constituency. I should like to say a word of gratitude to those people in the constituency of Hillsborough who have entrusted their affairs in this sphere to me. I am in one of the unique situations in that my colleague and I from a former dual riding find ourselves representing neighbouring ridings. I now try to represent alone the people whom the hon. member for Malpeque (Mr. MacLean) and I represented together for 11 years. I want to say here in this arena how much I appreciated the opportunity of serving jointly with him in one of the last two remaining dual ridings in this country, and how as a neighbour now I wish him well as he represents with distinction the riding of Malpeque in this assembly.

I have been concerned since I came to this house, Mr. Speaker, with the role that this country plays and should be playing in the outside world. As one goes back over the debates of the Canadian House of Commons he sees a gradually increasing degree of interest and a broadening involvement in the question of Canada's international personality. I have always regarded this question as one which should be as devoid of partisanship as any issue of public policy could possibly be. We have not had many ministers of foreign affairs, and none of them in the discharge of this portfolio has been the kind of person who has evoked extreme partisanship. Indeed, it was said here to be almost a miracle that the preceding minister was capable of appearing to have dropped a quarter of a century or so of partisanship. None of the remarks that I now make on some of the burning questions in respect of external affairs are motivated by intense partisan feelings. In fact, I am often accused of being not sufficiently partisan in this grown-up league of politicians.

I have watched with concern in recent weeks the discharge of our international obligations and the exercise of our leadership on the world scene. I have watched in particular what has happened since the present minister assumed this most important portfolio. I have watched for leadership in many areas of potential possibility for Canadian leadership. I still look for some fulfilment of our role in

the West Indies, one of the few areas where we need not be troubled and traumatized by our relationship with big powers but where we can move effectively and efficiently to accomplish something in the range of our own power which will be meaningful to many people.

I look too for something more in our hemispheric relationships. I also look for a rationalization and reorganization of our external aid program. I cannot believe that a country like Canada can mount a meaningful program of external aid to 64 countries scattered all over the world. The more I look at what has happened through our external aid program the more convinced I am of the correctness of that appraisal.

I now come to one subject, and because I refer to it primarily I do not want to imply that I think it is the only area of anxiety and concern to our external approach. For a long time we have been watching developments in that great Commonwealth state, if I may use that phrase now, Nigeria. Month after bloody month we have seen a shocking increase in the number of deaths, an appalling spread of suffering and a widening of devastation, something which should touch the hearts of the least sensitive people in any civilized community.

The trouble in Nigeria is not new. Open conflict itself is months and months old. The records of this house indicate that the house had its attention drawn to this question on more than one occasion. In March of last year the then Prime Minister indicated to me that continuous communication was going on with the Secretary General of the Commonwealth organization. In the same month he indicated that this was one of the important subjects for discussion when Prime Minister Wilson was to come to Ottawa the following week. A discussion about Britain supplying arms was also entered into in this house in the very same month.

At the last meeting of the standing committee on external affairs we were privileged to hear perhaps the outstanding Canadian expert on this question, Dr. E. H. Johnson. He is a man whom I call very carefully an outstanding ecclesiastic statesman, indeed a man who has been received by both sides and whose intimate knowledge and profound concern should have guaranteed an immense and immediate response to his message. I was sad at the time and I am even more sad in retrospect when I think how little was the ripple which his poignant and pointed story aroused, and how few from the external affairs department, from the press and from the public heard his words or were stirred by them.

• (2:50 p.m.)

Now we are at a stage where the suffering of the Biafrans has become hot news. There can be no moralizing on this aspect. I am happy that finally we are stirred, rather than filled with recrimination by the fact that it took so long. I believe we are at a stage where our government reflects not the concern of the people. Surely, Mr. Speaker, in a matter of such vital importance, if the government cannot lead its people it should at least reflect the views of the Canadian citizen.

I say that the Canadian people are deeply disturbed by the suffering in Biafra. They are questioning what this country is, and is not, doing. I think perhaps I reflect the attitude a little better than the minister when I say frankly that I am ashamed, I am embarrassed, I am disappointed and I am dejected by the reaction which this government has shown to one of the most shocking crises in humanity that has faced us.

We know that thousands are dying weekly. There has been eminent testimony to the sad truth of these statistics. We know how widespread is the suffering; yet we have a great country like our own seemingly tied up in diplomatic niceties and able to do nothing more than write the kind of letter which the Secretary of State for External Affairs (Mr. Sharp) wrote to the Secretary General of the United Nations under date of September 21, calling for suggestions.

Canada, a charter member of the United Nations, the senior member of the commonwealth, a country which produced a former and distinguished president of the United Nations general assembly, having, according to the government's own statement, studied the matter for month after month, now writes the kind of communication which was addressed—God help us—in our name, the name of the people of Canada, to the Secretary General of the United Nations. One expression in this letter makes my usual ruddy complexion a little redder. I quote as follows:

> I realize that to raise the situation in Nigeria in general terms before the general assembly could be divisive.

I repeat, "Could be divisive." It would be a shocking thing to have division while thousands die! This is the kind of utterance which would make Neville Chamberlain appear as one of the most vigorous and aggressive men

of all times. I say, Mr. Speaker, that this is perhaps the most mealy-mouthed and pusillanimous document that students of international affairs will ever be able to lay their hands upon.

What in the world was the United Nations created for? Was it created to avoid division, to avoid debate, or to assist humanity? If ever there was a clearcut case where action is called for and aid must be rendered, it is now. I do not like to criticize even people whom I oppose, let alone people whom in a personal way I like very much, such as the present minister. But I am wondering how he can justify his correctitude in all the niceties of diplomatic parlance, which is an evasion of the humanitarian challenge. It was popular in this house to jest with the former secretary of state for external affairs, now Senator Martin. But I wonder whether his circumlocution, about which we made a bit of fun on occasion, has been substituted by that clearcut, precise evasion that leaves the question undealt with.

Nor is it only this minister. Government policy, of course, must be accepted by all ministers as well as the Prime Minister. I think we should recall one of the first applications of the brilliant mind of the Prime Minister (Mr. Trudeau) to this question. I quote from an article which I commend to all hon. members. This article appeared in the Montreal *Star* of September 16, written by perhaps the finest scholar in the country on international relations, Mr. Eayrs. He writes that on July 10, at a press conference, the question was put this way to the Prime Minister:

> "There's (criticism of) the government for not sending aid to Biafra. What is the government doing here, and what should the government be doing?" To which the Prime Minister replied: "You have the funniest questions". Pressed for an answer, Mr. Trudeau remarked: "I think we should send aid to all needy people, but we can't send it to everyone, and I'd have to see what priorities are prior to the Biafra people".

I would suggest that perhaps anyone with a modicum of sympathy and a grain of intellectual acumen might suggest that life would be at least the first priority.

Some hon. Members: Hear, hear.

Mr. Macquarrie: I think hon. members are aware of the details of discussions. We know that the Organization of African Unity has had a part suggested for it. We know what has happened. We know what the international committee of the Red Cross has been doing. We know what certain religious groups in small countries of Europe have been able to do. We know that the suffering is there. We know that foodstuffs have been made available, and we know it is not terribly far from Sao Tome and Fernando Po to Biafra. And we know there is danger. But are we in this new generation of such little faith that we as a nation and as a people are afraid of division and afraid of danger?

• (3:00 p.m.)

Where are the Canadian aircraft which could carry the food to the suffering and dying Biafrans? Have they been offered? Has it been said to the Red Cross, "take these aircraft? We will be proud to have them fly with Red Cross markings to aid the suffering in an area of the world where the suffering should cry out in eloquent terms which need not be documented in letters to the UN authority." I think the people of Canada would like that to be done. I do not think we want to stand on the niceties of correctitude, protocol and propriety. I think we want to aid suffering humanity where we see it at its worst, and where would that be but in Biafra? We have put up over a million dollars, and that is fine. We are trying to play our part in this organization and in that one according to this letter, but as day follows day the number of deaths of Biafrans mounts, the area left to them diminishes, and I am afraid that the day may not be far away, alas when the subject will become academic.

I appeal for action. I do not think the government is aware of the degree of commitment and compassion which the people of this country have. I say, forsake your fears, discard your technical niceties, throw off your protective coloration of protocol, and assist the people in Biafra whose suffering is indescribable, although a few brave people have gone in and tried to describe it. I think the government will have the support not only of political parties but of people all over this country. We do not want to stand shamefaced. We as a great country do not want to be doing less than a few churches in West Germany and in Scandinavia. When I think of a few Christian people being able to find an aeroplane while we with our integrated and updated craft cannot get them moving, I say, shame. Let us move on this issue. There will be no just society without compassion.

I make no apology for devoting my time and hopefully directing the thoughts of all to this matter rather than to appeals on behalf of my constituency and my region—and good-

ness knows there are many that I could make—but speaking on an issue of conscience surely we do not ever wish to lose our ability to react as a humanitarian nation. We do not want to have another 1935 when for a moment Canada gave leadership at the League of Nations and then, for small, petty, partisan reasons, that leadership was self-repudiated. Let us not be afraid to follow the dictates of the hearts of our people. History shows that this is not only a matter of compassion. If you turn your back upon your obligations in any part of the world, if you forget at any time that the questions which face mankind are directed to you, you will suffer thereafter. I appeal very simply for an end to equivocation, an end to evasion, and an end to passing not even resolutions this time but responsibility.

Let us give the Canadian people a little leadership in this matter. Let us find one avenue of action which will not divide our people and not be subject to partisan bickering, an avenue of action in which Canadians as humane and decent people can say that they, being led by their government, are doing something which in modesty and in justice they say is good for us to have done.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I had intended in this speech to direct my remarks to a discussion of a problem which is very acute in my own constituency and in many others throughout Canada, namely, the question of housing, and then to take advantage of the wide scope of the rules to discuss international affairs generally. But I want to follow the remarks that have been made by the hon. member for Hillsborough (Mr. Macquarrie) and discuss the situation which exists in Biafra at the present time.

I wish to give priority to this subject because it is an urgent problem at the present moment. I want to speak first about the threat of starvation to many hundreds and thousands of civilians in Biafra. It is a matter in which the hearts, minds and consciences of all the members of this house are engaged. It is a tragic situation and it is certainly not one in which any of us wish to speak with a partisan note. I do not propose to criticize the government but I want to appeal to them to look again at this matter and see whether even now more could not be done and greater risks taken in the interests of humanity.

The risks of action are not overwhelming. I think the threatened and the present tragedy today are overwhelming. I understand that a group of churches in four Scandinavian countries known as the Nor Church Aid Group, whose headquarters are in Copenhagen, was able in the first three days of last week to get into Biafra 31 flights of transport planes with a capacity of 10 tons each. I understand that the capacity of our own Canadian Hercules is 20 tons, which suggests to me that perhaps the Canadian planes, if they had been available, would have been able to double the relief supplies and double the number of people saved from starvation. It appears to me, as the hon. member for Hillsborough has stated, that if these Scandinavian churches can successfully surmount the difficulties, surely the Canadian government can also overcome them and take some of the risks involved. There is an old saying that where there is a will, there is a way.

It is sometimes said that the last push to end of the war in Biafra is on the way. It has been on the way for many months. It is said that when that happens, it may be possible to relieve starvation with the aid and co-operation of the federal authorities. If that happens I hope it will be so. However, that is not what I understand is likely to be the situation. I believe that this is an idle hope. The federal government may capture the cities but the war in the rest of the country will go on and on, and for what purpose? Because the Biafrans believe, rightly or wrongly, that they will not survive if they surrender. They believe in fact that they are likely to be the victims of genocide.

All of us in this house, even the youngest, will remember the last occasion of genocide when it occurred in Europe, and we will remember it with troubled consciences. I am not accusing the Nigerian authorities of planning genocide. I am firmly convinced, however, that this is what the Biafrans believe is planned and that they will fight it to the bitter end if there is no international intervention. They have reason to fear that situation.

• (3:10 p.m.)

I should like to read to the house two excerpts from newspapers. One is from the *Telegram* of the Netherlands. It is a dispatch of August 17. It quotes an interview by Randolph Braumann, who I understand is a correspondent for that well known Netherlands paper, with Colonel Adekunle, a Nigerian army officer. This is the quotation which is attributed to the Nigerian army officer:

> In this sector of the front which I command—and that is the whole south from Lagos to the Cameroun border, I will not let in any Red Cross, Caritas, World Council of Churches, missionaries, or UNO.

Then he was asked:

> Does that mean that the food stored in Lagos will never reach the refugee camps in your sector?

He replied: "You are correct. That is exactly my meaning."

This is confirmed by another passage. The excerpt I have is, I believe, from the London *Observer* of August 31, 1968. Certainly it is from an English paper. If anyone is interested I will check to determine which paper it is. The excerpt is as follows:

> Col. Adekunle, commander of the 3rd division with HQ in Port Harcourt, has now returned there after sick leave in Lagos. He was in Lagos for about two weeks. The West German Foreign Ministry has expressed "dismay" to the Nigerian Embassy in Bonn over remarks made by Col. Adekunle to a German weekly, *Der Stern*. The Colonel said that in the sector he commanded "I don't want to see any Red Cross, any Caritas, any World Council of Churches, any Pope, any mission or any United Nations delegation."

He was quoted further as saying:

> I want to stop even a single Ibo being fed as long as these people refuse to capitulate. I did not want this war. But I want to win this war. That is why I must kill the Ibos. Sorry.

Perhaps a statement of that type in the midst of a hot war by a military officer is not so extraordinary but when these statements are made to international newspapermen to be circulated throughout the world people cannot say that they have not received notice of a determined effort to starve people into submission and death. It seems to me that the international community must take responsibility in this matter if it is not to be on our consciences. I welcome the fact that the Secretary of State for External Affairs (Mr. Sharp) is seeking the support of other countries in an effort to bring this matter before the United Nations. I hope he will receive that support. I happen to believe he will have no difficulty in obtaining support from the Scandinavian countries. I hope the government not only carry the matter to the United Nations, where resolutions are perhaps what are usually produced, but will take the risks that the Scandinavian churches have been willing to take to make sure that the supplies reach the part of the country which is blockaded at the present time.

I had not intended to open my remarks by dealing with this subject but because of its urgency it seemed proper to do so. I now wish to do what is much more conventional. I wish to join with my colleagues in all parts of the house to congratulate Your Honour as warmly and sincerely as I can on your re-election as Speaker. I should also like to join in the congratulations to the mover and seconder of the motion before the house. They, together with quite a number of other new members who have spoken in this debate, have made a very successful and promising début in this house.

I propose to devote most of my time in this debate to a more general discussion of what I think Canada could and should do in the field of international affairs and international order, because I think it should be clear to all of us that there is no tolerable or just society, indeed no society at all, which can be built and maintained in Canada in this modern world of the 20th century except in the framework of international order. I think that was recognized in the Speech from the Throne.

Before I go into that matter, however, I should like to deal for a few moments with a domestic matter which in some parts of Canada, and I believe in my constituency, has reached crisis proportions. I refer to the question of housing. Although this matter was mentioned it received scant attention in the Speech from the Throne. I do not propose to give a long description of my constituency although I believe that also is traditional in this debate. But I might say that my constituency is a residential area within a vast metropolis, no doubt similar to many other constituencies in Canada. It is a good place in which to live. It is well supplied with schools and other services. The people are white collar and industrial workers of modest means. The average income would be somewhere around $5,000 a year. The houses are mostly 50 to 60 years old. It is emphatically not a slum area. It does not require to be torn down and redeveloped, but there is a serious housing crisis because of the slow decay and the serious shortage of housing.

In my constituency the cost of buying a new or indeed an older house is outside the range of possibility for all but a very small proportion of the people. The uncontrolled and sudden increases in rents have placed a burden of deep anxiety on very many people. It is not a problem of the very poor, the down and outer or the chronic slum dweller. It is an urgent problem for such groups of people as young couples needing a place of their own. It is a problem of increasing and sometimes tragic urgency for many families who have more than two or three children. It

is a very serious problem for pensioners who have to divert the money required for food and other necessities to pay the increased rentals.

I know that in our province—and I hope this is so in other provinces—the Ontario Housing Corporation, with assistance from the federal government, has made some public housing available. I say, more credit to them. But it is not nearly enough. The Ontario Housing Corporation is swamped with long waiting lists. They have been forced to establish stringent priorities. In some cases they cannot act until the sheriff is at the door ready to throw a family and its belongings out on the street. Families are breaking up and nerves are breaking down.

Someone may ask how I know this. I know it because in my riding the provincial member and myself maintain what we call a service centre. Day after day desperate people come to see us. They ask for help in getting high priority on the Ontario Housing Corporation list. There are excellent senior citizens public apartments where an old age pensioner pays $65 a month for congenial and attractive public housing. But another old age pensioner, not fortunate enough to obtain this type of accommodation, will be lucky if he can find similar accommodation for $135 a month.

When pensions are as low as they are one can imagine how difficult the situation is. When applications are submitted these people sometimes have to wait seven years before they can obtain accommodation. The need for shelter is basic. The failure of our technically competent civilization to provide it has created an emergency which requires vigorous and early action by governments at all levels.

It seems to me that the Speech from the Throne evaded this issue. There was a reference in the speech to keeping within constitutional limits. I wonder, Mr. Speaker, whether that is an indirect way of saying that the provinces and not the federal government must tackle the housing crisis.

• (3:20 p.m.)

It is true, of course, that the provinces have a great share of the responsibility for housing. But if there is any field in which joint action and partnership are required, it is certainly the housing field. The federal government has for many years accepted responsibility for using its financial powers to stimulate housing. It is obviously not in this time of urgent crisis that this responsibility should be abandoned.

[Mr. Brewin.]

Unfortunately, Mr. Speaker, in our view federal intervention has often been misguided. Since the war the federal government has provided vast sums by direct loans or guarantees to encourage construction of housing for the well to do under what is known, I think, as the "trickle down" theory. This theory has not worked. There is no effective demand on the market for housing that is within the reach of 75 per cent of Canadian families. I suggest that the federal effort must be redirected, in partnership with the provinces, to the provision of public and rental housing, housing within the capacity to pay of the average wage earner.

This can only be done, Mr. Speaker, by federal control over investment or through tax incentives to channel Canadian savings to meet this basic need. The first priority in housing is for the federal and provincial governments together to assume a comprehensive commitment to assess the needs for housing in the whole of Canada, to establish priorities and to take action to meet these needs. What we need is not so much a study or studies by peripatetic task forces but the calling together of federal and provincial representatives with regional and municipal representatives in order to work out plans for action.

I want to make one more point, Mr. Speaker. We must pay more attention to maintaining the existing stock of housing. Home owners of moderate means are having to pay increasing municipal taxes. They cannot afford home improvement loans. They cannot afford to pay for the repairs and renewals which are necessary to maintain and improve their houses. They need incentives by way of income tax exemptions and direct low interest loans in order to enable them to maintain the present stock of housing.

I want now, Mr. Speaker, to turn to international affairs and defence, which are rightly linked together. I welcome the fact that in the Speech from the Throne there was the promise of a review of our policies and commitments in both of these fields, though I did note that the proposal was extremely vague. I plead with the government for a thoroughgoing and radical look at our present policies in this field. As they now stand they are quite inadequate for our times.

We all know that there is student unrest throughout the world. I do not wish to identify myself with all its manifestations, but I do suggest that the younger people in the world are right in their rejection of the direction of

and the priorities in our conduct of international affairs. In a world that has been made small by technology, a world which is urgently crying out for international planning and order, we are rushing toward chaos.

I read the other day a little book published by the Institute of International Affairs that referred to 270, I think it was, though I may not have the right figure, conflicts that had arisen during the last 70 years, a great many during the last few years of this century. The gap between the two-thirds of the world's population that is in abject poverty and the affluence of the western world is growing and not diminishing. Yet, Mr. Speaker, it is reckoned that the western world is spending $120 billion a year on the weapons of war. A very small fraction of this figure is being spent on the constructive building of a newer and juster international order.

I say that the young people are right to criticize our sense of values and direction when in almost every country of the western world this state of affairs is allowed to continue. In a nuclear world we see the great powers pursuing by military means their own ideas of security, piling up fantastic weapons of mutual destruction. For example, we now hear talk of anti-ballistic missile defence systems and that these are going to be countered by decoys, multiple re-entry vehicles, larger and more accurately delivered payloads, as the jargon goes, all producing not more security but requiring vastly increased expenditures and less security in the long run.

We pay very scant regard to the United Nations. We do not furnish it with the forces necessary for it to act. We do not give it the means necessary to plan internationally. In other words, we do not allow it to work. Even within such an organization as NATO, which is designed, according to its authors, to defend democracy, individual liberty and the rule of law, we find nations such as Portugal, and Greece maintaining military dictatorships and preserving their régimes by wholesale suppression of human rights and the rule of law. Throughout the whole world racism sows the seed for continuing conflicts.

What, then can Canada do to reverse the direction of events? Our policies, of course, Mr. Speaker, must be based on a modest and reasonable assessment of our potentialities and our influence, a recognition of the facts of geography and history. Our policies, of course, must be rooted in reality. But reality in the second half of the 20th century is itself rooted in the necessity for strengthening international institutions such as the UN, and a rigid rejection of directing nearly all of our resources into wasteful expenditures on so-called security which is no security at all.

What I propose first and foremost to the government is a reallocation of our expenditures as between what is sometimes called external aid or international development and what is strictly military expenditure. At the present time, as the members of the house well know, we are spending roughly $1.6 billion a year on defence expenditure. At a generous estimate we are spending about $400 million on international aid and development. Accepting for one minute that this is the limit of our resources that we can direct to these purposes, and accepting that we can justify the directing of $2 billion of the Canadian taxpayers' moneys to these purposes, I propose that there should be a rough parity of expenditure between moneys used strictly for defence purposes and moneys used for international development.

I suggest, Mr. Speaker, that we cut our defence spending to $1 billion. I say that we can do this without adversely affecting our contribution to security. This can be done by cutting out some of the roles that we perform and which at the present time are obsolete. At the same time, we should step up our contributions to external aid to $1 billion annually. If the other western nations were to do the same, and if they used United Nations agencies such as the World Bank as the instrument of their international planning, then a very real impact could be made on the immense problem of human poverty throughout the world. I think we would be proud if Canada were the first country in the western world to give at least equal priority to the construction of a just world society as against the maintenance of a purely military means of seeking security.

The question may be asked, Mr. Speaker, whether we can do this without endangering important contributions to security. I say the answer is yes. Some of our present contributions are hardly worth the money spent on them; indeed, they are a waste. I want to give an illustration by referring to our contribution to the system of defence against manned bombers, through NORAD. The Canadian government talks of Canadian sovereignty and Canadian independence. It talks of expanding the role of parliament and of involving people in the process of moulding their own destiny. Nevertheless, since the

former parliament was dissolved the government has renewed the NORAD agreement without referring the matter to parliament and without public discussion.

I ask, what are the terms of the renewal? What is the purpose of the renewal? Against what real threat is the defence system to be maintained? Who recommended this step other than those in the Pentagon? The people of Canada have not been told about this and neither has their parliament. We have not had a white paper on defence, something which every modern country in the world puts out regularly each year in order to set out its strategic concepts. Yet a commitment has been put before us without it having been discussed in this house.

I have tried to study this problem, Mr. Speaker. I have inquired diligently to see whether the threat to the United States from manned bombers is a real threat. Are manned bombers a real threat to the North American continent? In this age of missiles, when the Russians have at their disposal possibly 1,000 intercontinental ballistic missiles, attacking this continent with manned bombers would be insanity, especially when one considers that the Russians themselves are the potential targets of an even greater number of United States missiles—Minutemen in concrete bunkers, Polaris missiles with nuclear warheads which can be fired from submarines lurking in the oceans of the world. In these circumstances the Russians would be crazy to launch a manned bomber attack on North America, and I have no reason to believe they are crazy. For one thing, manned bombers telegraph their punch in advance. It would take them between two to three hours to arrive here and warning would be given long before they reached their targets. Yet suppose, in the face of all these arguments, the Russians launched themselves into such a suicidal policy. Would it not be possible for a few of their rockets to take out the static defences which we have established to stop manned bombers?

In 1963 when the present Minister of Transport (Mr. Hellyer), who then was minister of national defence, produced the last white paper the government produced on defence, he clearly envisaged the obsolescence of our present system of defence and made vague promises to phase it out. The former Secretary of Defence of the United States, Mr. McNamara, has not concealed his conclusion that the system is obsolete.

We in the New Democratic party do not object to our planning the defence of our air space in conjunction with the United States. Nevertheless, I implore the government to take a long, hard look at the entire question and see whether it is any longer sensible to pay a substantial premium to defend ourselves against a risk that is no longer real. I urge the government to produce a white paper on the strategic consequences of various forms of action.

I have little time left in which to speak. Before finishing I must say something about our position in international affairs. Notwithstanding what has happened in Czechoslovakia, I think we must take a long hard look at the question not of whether we ought to be in NATO but of the role we ought to play in NATO at the present time. The use by the U.S.S.R. of military force in Czechoslovakia clearly indicates the willingness of that country to use force, where its leaders think they can get away with it. I think that this is no time to break up the unity of NATO. I happen to believe that in the confrontation between the massive material might of the Kremlin and the passive, nonviolent unity of the Czechoslovak people, the ultimate victory will go to the Czechoslovak people.

By the same token I think we ought to evaluate our present role in NATO. Suppose that to help Czechoslovakia we had used the air division we have established in Europe. What would have been the result? Europe, including Czechoslovakia very probably, would have been wiped out and a nuclear holocaust provoked.

I conclude by hoping that in matters of foreign policy the government will look at fundamentals. I hope it will not be content with accepting conventional wisdom. I hope it will look beyond departments of government and make use of the knowledge and experience of the students and scholars of our country. Also, I hope the government will permit the committee on international affairs to be active and to look into the matters I have raised. We are entitled to expect from this government a totally new approach to the entire field of international affairs.

Mr. David Anderson (Esquimault-Saanich): Mr. Speaker, I congratulate you on your election to your office. Because of your past experience as well as the qualities you have

displayed so far during this debate, I am certain that all members will be well satisfied you have been elected.

In common with many of my predecessors in this debate I shall begin by saying that I shall be brief, but unlike most other members I shall restrict myself to one subject and, I hope, avoid talking of the glories of my riding and other irrelevant subjects which have consumed so much time in the speeches of previous members.

In this throne speech debate I submit we have perhaps spent too much time on general debate, which will not leave us enough time in this session to talk on specific legislation, in particular, private members' bills and motions. I therefore take my cue from the previous speaker, the hon. member for Greenwood (Mr. Brewin), who said that it is right for young people to question the values of our society. I, as a new and young member, would like to question the value of our devoting eight days of valuable time to debating matters that, in my opinion, are largely irrelevant.

The election campaign ended on June 25, and I think we have now more valuable matters to attend to. I submit we have no need to hear any more warmed-up election speeches, given, perhaps, to entertain visitors in the gallery who may happen to be from our ridings. We should remember that we have been elected to this house on the understanding that reforms will be brought about, and this is particularly true of the younger members of the house. We have not been sent here to spend four years learning how the house operates; we have not been sent here to acquire the traditions of the house. We have been sent here to carry out the program of the government and, equally important, to put forward our own views in private members' bills and motions. It is important for this house to realize that we, the younger and newer members, have not been satisfied with the performance in this chamber which we have witnessed during the throne speech debate.

If a throne speech debate is considered necessary, and I concede that it is, let us devote only four days of our time to such a debate. It is quite unnecessary to carry on as we have been carrying on. We all know how little time is at our disposal for private members' business. There is insufficient time to discuss fully all private members' bill or motions. This stems, it seems to me, from a deliberate policy on the part of older members of the house, including the government house leader and the house leaders of other parties, who encourage backbenchers to speak in this debate as they know that no vote will be taken on any specific matter. Later on, I expect we will be told we "had our chance" during the throne speech debate. This is not good enough.

• (3:40 p.m.)

I feel they should be aware that we shall not continue to tolerate this tokenism which allows us to speak but does not allow decisions to be made on the basis of what we have said. It is a system which does not permit us to contribute materially to legislation.

Mr. Aiken: More brave words.

Mr. Anderson: I hope I have not been too blunt in my remarks. I realize that the traditions of this house are important but I feel it is equally important to serve notice on the government and the leaders of the opposition parties that we, the junior members, have no intention of continuing with rules and formulae which, although perhaps applicable in the past, are not applicable today. We feel we have been sent here to discuss specific legislation, to put forward our ideas and to contribute toward a better Canada. We trust this is the case. It is for these reasons that our electors sent us here: it is on this basis that we have come.

I hope, therefore, that all members of this house will pay attention to these remarks which I am presenting not only on my own behalf but also on behalf of many other younger members on both sides of this chamber. I trust that in future, when legislation and changes in rules are under consideration, it will be remembered that we are not satisfied with what we have seen here during the past ten days. We feel we have not been sent here simply to carry on as was done in the past, and thus I hope that soon in the future we shall hear of changes in the proceedings of this house which will make it more satisfactory.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to take this first opportunity to congratulate you on the appointment which this great house conferred upon you at the beginning of the session. Indeed, the honour fell to you by right for you fully deserved it. I had the opportunity of getting to know you in 1963, 1964 and 1965, and I am sure that the judgment and impartiality you showed in the

past caused my colleagues and myself to choose you unanimously.

I should also like to congratulate the mover and the seconder of the address in reply to the Speech from the Throne, (Messrs. Corbin and Marchand) for the way in which they performed their task.

At this time, I would like to congratulate in particular the honourable members who are now sitting for the first time in this house. Their talents and perhaps also their initiative will be an asset to the country and the people as parliament is looking forward to benefitting from their ideas.

Personally, my re-election to this house reminds me of the events of the years 1962 to 1965. It was through some unforeseen circumstances that I was defeated in the 1965 election. Most of the members will remember that during that election, Shefford constituency experienced a closely fought contest when, among the three candidates, two of whom represented the two old parties—I may be forgiven for using this suitable description of them—the overall difference in the number of votes amounted to 47. That experience taught me something that I was not aware of at the time and that I have learned about since: the legislation governing the military vote.

This year, the voting in Sherbrooke afforded me the opportunity to see and compare a situation which prevailed in Shefford in 1965. I say that the military vote is actually helping the Liberal party at election time when it so happens that results are doubtful in two or three constituencies, and that party does not want to amend the related legislation.

In 1965, the Shefford constituency recorded 60 military ballots bearing the same signature. Had the name of the Liberal candidate been typed on the ballot, the result would have been the same. No difference was recorded in the handwriting when the military vote was accounted for.

The same thing happened this year in Sherbrooke as 169 votes went to the Liberals, and out of this total, 160 votes were written out in an identical manner. After trying to make a check, after asking the judge who was presiding over the judicial recount to give us the list of the servicemen who were eligible voters in the ridings of Sherbrooke in 1968 and Shefford in 1965, judge Evender Veilleux, a man I respect because I made two judicial recounts with him, was refused the list of the servicemen who would have had the right to vote in Sherbrooke in 1968. After we had conceded the election, we were told that we could have obtained the list of the servicemen who had voted in Sherbrooke before conceding the election, but that it was impossible to get it afterwards. I was on the phone with judge Veilleux when he was refused access to the lists of servicemen before conceding the election in Sherbrooke in 1968 and I say that the hon. member for Sherbrooke who now sits in this house does not represent at all the majority vote of the people in his riding.

I know servicemen in the riding of Shefford who enrolled at the Sherbrooke regional office in 1939 and whose names were still on the lists of servicemen for my riding in 1968. These soldiers had moved to Ville-d'Anjou, Ville-Saint-Michel and Montreal more than twenty years ago, and yet they can still vote in the riding of Shefford. Under the automobile registration act, one is liable to a fine or some other penalty if one neglects to inform authorities of any change of address. It seems to me that a soldier should lose his right to vote if he does not have his address changed and, the more so, if his name still appears on the list of servicemen for Sherbrooke, Shefford or other ridings or if he is no longer in the service.

I have been able to ascertain those things in 1968 and in 1965, and I challenge anyone in this house to prove that there are actually in Sherbrooke, 250 servicemen whose names appear on the electoral lists of Sherbrooke riding who are now on the pay roll of the Army, the Air Force or the Navy and who are residents of Sherbrooke riding. The same thing happened in Shefford county. It is also impossible that there should be 150 men whose names appear on the electoral list of Shefford riding.

Mr. Speaker, this brings me to say that during the electoral campaign that ended on June 25, we have seen one Santa Claus at work and we will see another on December 25, 1968.

• (3:50 p.m.)

Kisses were distributed from one side of the country to the other. When the Prime Minister (Mr. Trudeau) came to visit my constituency, he distributed hundreds of kisses to young girls of 9, 10 or 12 years of age. We also learned that the Prime Minister knew how to dance, that he knew old, modern and go-go dances. This is why he reminded us of Santa Claus. Indeed, he brought a bag full of kisses, he had to dance and he arrived in the

various cities by helicopter, landing in a supermarket center, where he was always sure to meet a great number of people; it was just like Santa Claus around December 15 when he lands down in a supermarket and distributes kisses galore.

But the time of kisses, of go-go dances, of landing in supermarkets is over. It is now time for the members of this house to act, and if we consider the Speech from the Throne, we note two things:

First, our government set itself the goal of a just society and of a just government. Secondly, it realized that war had to be waged against poverty. However, I remember that in 1962, 1963, 1965 and 1968—history is repeating itself—the objective of the governments of the time was also to fight poverty.

In the 1968 Speech from the Throne, I believe it is stated that we must fight poverty. This to me is the very acknowledgement of the fact that both parties have failed to reach their goal for the last 100 years, since if we have needy people in Canada it is obviously through no fault of the members of the N.D.P. or of the Créditistes party.

Administration has not been rejuvenated in the last 100 years and it is the two old parties which are responsible for our present predicament. It is the two old parties which have allowed poverty to take root in Canada and I do not believe for a minute that they will be able to eradicate it nor to find better solutions, though they claim to be a just government.

I think that within two years, and maybe even before then, the Canadian people will realize that we do not have a just government, but a government just for fun. Why? Because the poor have multiplied, they have been forced into debt, they have been mass-produced.

We have only to look at our economic situation to realize it. We have only to consider educational, municipal and provincial debts, for example the debt of the little province of Prince Edward Island. I was there during the election campaign, when the Prime Minister said that it was impossible to sell provincial bonds because the public had lost confidence in those of Prince Edward Island.

Let us take time to consider the provincial, municipal and school debts, our federal debts, the loans and also the interest rate on the bonds which the hon. Minister of Finance (Mr. Benson) has just set for a period of 14 years, when he will pay 250 per cent in interest.

I have here an article from the newspaper *La Presse*, issue of September 18, 1968, which states, and I quote:

> The Minister of Finance sees life through rose-coloured glasses—

He too takes the liberty of dreaming in colour. "To see life through rose-coloured glasses" with 250 per cent in interest after 14 years. In 14 years, our children will have to pay over four times the amount of the debt for bonds which are issued now.

We did not see anything in the Speech from the Throne on family allowances. They were not even mentioned.

Nor was any legislation mentioned to stem strikes in Canada, or at least strikes which concern the federal government; nor any measure to prevent unemployment which is a constant problem since automation, equipment and science have come within our daily reach; the Speech from the Throne proposed no solution. Nothing was foreseen to encourage the spread of automation or to allow people to live with it.

Moreover, there was absolutely nothing in the Speech from the Throne concerning bankruptcies in Canada. The present Postmaster General (Mr. Kierans) said, in 1965 when he was Minister of Revenue in the Quebec provincial government, that bankruptcies in Canada, that is fraudulent bankruptcies, in 1968 represented losses of $73 million for the government.

In 1963, those figures had tripled compared with 1958. Losses in 1963, as a result of fraudulent bankruptcies, reached $195 million. This was under the administration of the hon. Davie Fulton, Minister of Justice for the Conservative government, and of the hon. Guy Favreau, then Assistant-Minister of National Revenue and later on Minister of Justice for the Liberal government.

With regard to bankruptcies in 1961, the index was 100 per cent. In 1963, the same index had risen to 163.4 per cent. Over that same period, the G.N.P. had increased by 40 per cent, while bankruptcies had multiplied three times as much and increased by 120 per cent. There's a "fun government" for you!

All those figures were published in the report of the present Postmaster General which was submitted by the commissioner of the inquiry, Mr. Lucien Mercier. In addition, those figures rose steadily under the administration of Mr. Guy Favreau, and reached $500

million in losses for Canada in 1965. Those figures include the famous bankruptcies of Atlantic Finance and Prudential Insurance Company as well as those of their subsidiaries.

In 1965, the present Postmaster General denounced these facts publicly but, immediately afterwards, he was transferred to the Department of Revenue, and the situation has remained unchanged. Since that time, what promises the federal government, and the Minister of Justice had made concerning revision of the bankruptcy act have remained a dead letter.

In 1966, the hon. Pennell, then Solicitor General of Canada, stated before the bank committee for the Senate that, within eight months, that is some time early in March 1967, a new bankruptcy bill would be tabled in the house and that it would alter beyond recognition the old act. Where is that bill.

In the last two years, we have not seen anything. There was no mention in the Speech from the Throne of the bankruptcy problem which, at the present time, costs Canadian citizens over $500 million a year.

• (4:00 p.m.)

Nor is there anything in the Speech from the Throne about a method of financing our public funds. Whereas today our investment capital amounts to billions of dollars per year, the Minister of Industry of the province of Quebec announced yesterday expenditures of $5 million in Farnham for the construction of access roads to the projected airport. I think it will be decided to build the international airport in Farnham. An investment of $5 million. Yet the federal government must allow the provinces to have a source of capital, a source of investment funds to enable them to build bridges, roads, to provide for the operation of their school system and their sewer facilities.

In Granby, for instance, we have a water problem. It would cost approximately $3 million to get water a few miles from Granby and to store it, but that is out of the question for the time being because the city has reached its maximum borrowing capacity. However, thousands of families have to fetch their water in a jug, in the middle of the twentieth century, in 1968, when there is drinking water at a few miles from there. But the water available to our town is not fit to drink at the present time. We are unable to carry out these projects because the city's finances make it impossible for the municipal council to borrow $3 million refundable in forty or fifty years, which would amount to an expenditure of $7 to $8 million for taxpayers. Therefore things have to remain as they were in the past, and people have to fetch their water in a jug. Right in the middle of the twentieth century.

What is lacking in this contry? Is there a shortage of manpower? Is there a lack of materials? Is there not enough wealth in Canada? There is no such shortage. What is missing is a financial system, and this august house never did tackle that problem. All the other problems are reviewed except the one relating to finance. Whether it is a financial problem concerning municipalities, schools, the federal or the provincial governments, it is not discussed. Although the Speech from the Throne mentions a just government, it does not deal with a financial system that would be instrumental in bringing about this just government. That is why we say it is a government "just for fun".

On reviewing the agricultural situation, it is noted that eggs were selling 52.3 cents a dozen in 1951 and 33.8 cents in 1961. According to the Dominion Bureau of Statistics, they were selling at 32.2 cents a dozen in 1965 and 30 cents in 1968. Broiler fowls were selling 35½ cents a pound in 1951, 20½ in 1961, 19 cents in 1967 and 19 cents in 1968. The same goes for young turkeys, chicken, pork and dairy products.

Agricultural products have increased by 17 per cent since 1951 whereas production costs for farmers have increased by 60 per cent since 1951.

In 1951, the price of a tractor and plough was $2,000 whereas nowadays it is selling for $5,000. Eggs were then selling 52 cents a dozen, whereas they sell 30 cents in 1968. And the Liberals are trying to convince us that we live in a just society. I say to you that we live in a society "just for fun". We have a government "just for fun". Why? Because the Speech from the Throne does not point out solutions that would enable the Canadian people to solve their financial problems and the farmers to enjoy a decent standard of living.

Within the next few days, there will be a statement by the Postmaster General regarding an increase in postal rates for the working class. We will have to pay more again. In what way can we reconcile the principle of a just society with increases in taxation and indebtedness at all levels?

There is also a housing problem in Canada. In the Speech from the Throne, there is no indication of a solution. An investigation is taking place at the present time. The hon.

Minister of Transport (Mr. Hellyer) who is responsible to the house for the Central Mortgage and Housing Corporation is going now to listen to the complaints of the tenants and landlords all across the country, in an attempt to understand the problem. But the housing problem has been brought about by the government itself, by the Liberals themselves, when for instance, they put a 12 per cent sales tax on building materials. And that is why the best way, in my opinion, to go back to better times, from the housing viewpoint, is to remove from our legislation everything which adversely affects housing, and in particular the 12 per cent sales tax. There was no mention thereof in the Speech from the Throne. However, there is reference to a just society. At the present time, some dwellings are rented for $150 a month while ten years ago, the rent was $60. Landlords make less money today than they did then. Why? Because the difference is included in and absorbed by the tax rates at every level.

If this government was really keen, it would abolish at once the 12 per cent tax on building materials which was the main cause of the present housing crisis. A 12 per cent tax on building materials had been forced on us and those who were in this house when legislation was passed, know that a $500 bonus was promised, and was indeed given for a couple of years for houses built during the winter. Then, we had to fight officials and to battle through all the technicalities of the law before being entitled to this bonus. Most of the time, we were not entitled to it. Anyway, we had to pay the 12 per cent tax.

After the Speech from the Throne, and even before, we were also told that the winter program was to be abolished. And now we are beginning to feel—having heard this and that minister—that social welfare is to be dispensed with too. Everything is cut down, but no proposition is made. Mention is made of a just society, but the government is still going on just for fun. This is why on June 25, to the general surprise, many citizens, especially in the province of Quebec, voted for the Créditistes. Why? Because they asked themselves the following question: Where are we going with our governments? What solution do they suggest? The right hon. Prime Minister himself did not have any to offer.

I have here a newspaper clipping from an elector who stated why he voted for the Créditistes.

In the first place, Trudeau, the Liberal, made no promise, except to repair holes in the roof, to strengthen it where it was too thin, to level out poverty and mediocrity; on the constitutional level, he poured scorn on our yearnings by putting us all in the same melting-pot; monetary field, nothing new, no reform; he merely asked us to be happy with shackles around our ankles in a just society (for fun).

Conservative Stanfield was not much better, except that he achieved the same results by going about it differently.

As for the N.D.P., they wanted to nationalize everything except the most important thing, banks.

There remained the Créditistes. Caouette was not perfect either, but it must be said to his everlasting credit: he struck at the root of the evil. Being more sincere and less quackish than the other candidates, he extolled an irrefutable monetary policy which, at the same time, brought to light the monumental fraud of the present monetary system which the old parties have always clung to: a basically corrupt system which allows a small privileged group of eight chartered banks to provide the credit for the nation in a ratio of 92 per cent of the money supply against 8 per cent for the government represented by the Bank of Canada. Eight per cent can never buy off 92 per cent; it is impossible; it is what might be called retrograde progress.

• (4:10 p.m.)

—A state within a State, gangsterism on a national scale, which easily explains our ever growing debt, our continuous loans to pay interest to bankers; an upside-down, dishonest system, which clean sweeps our country, shackles progress, warps our mentality and allows us to live only by getting into debt.

We now have banking social credit at the banks' disposal. The big shots belong to it. They share handsomely in the profits of the nation by accumulating secret reserves which income tax does not touch. Why should the same credit not be good if it were granted by the Bank of Canada for the benefit of the government?

—Then, money would cost nothing to the State, which would be normal and logical. Interest-free loans to the provinces and municipalities would be possible, as well as dividends, seeing the company would be wholly-owned. It is not a question of getting rid of banks, but let them do what credit unions do: let them merely deal in money and not create it; that is the difference.

That is what every Créditiste knows and why he votes as he does; not so much for the man as for the policy, contrary to the old-line parties who seek the best man to defend a bad cause.

This, to my mind, is what constitutes a logical vote, which aims at the cause of evil. As for the rest, those who proclaim that this policy cannot be implemented, that it is utopian, they completely deny logic in economy. It would be better for them to study it, without prejudice, before condemning it, and parroting the world of finance. It is useless to attempt to understand the present system; we have had enough of living under it; it was born of injustice and error, and will return to its abject condition.

This article is signed by one of the most important real estate agents in the eastern townships and the town of Sherbrooke.

Following the Speech from the Throne, we received the report of the Economic Council of Canada, in which it is said that in order to

solve our problems, we must increase our productivity, as if we suffered from a lack of commodities in Canada. True, there is a lack of commodities, but not because we are incapable of producing them. Rather, it is because producers do not have a guaranteed income. That is the reason why our production rate per capita is decreasing.

Increase productivity. That makes me think of the gardener who grew cabbages and would go to market to sell them. At first, he only had a small garden, and could take his cabbages to market in the basket on his bicycle.

Having bought another piece of land, he increased his cabbage production but still went to market on bicycle, carrying his cabbages in a basket. A time came when he was travelling all day long from home to market to deliver his cabbage.

But the day came when he had no time to sell his cabbages because of an inadequate transportation system. He put his problem in the hands of experts who told him to increase his productivity. Confident in the experts' advice, he bought another farm, doubled his cabbage production, but kept on going to market by bicycle to deliver his cabbages. As a result, one day, his crop rotted in the ground and he went bankrupt.

Later on, a Social Crediter bought his farm, and instead of increasing his productivity, he exchanged his bicycle for a large truck and, from them on, he had no trouble taking his cabbages to market or distributing.

In Canada, the situation is the same.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member, but his time has expired. Unless the hon. member for Shefford has the unanimous consent of the house to carry on, I shall have to recognize another hon. member.

Some hon. Members: Agreed.

Mr. Rondeau: Mr. Speaker, I wish to thank the hon. members of this house.

To conclude, I say that today it is not our production system that is at fault, it is our distribution system.

I am still thinking of this poor gardener who was keeping his old bicycle to take his cabbages to the market.

In Canada, our production is not at fault, but our distribution system is bad. That is why the Ralliement créditiste advocates that our means of distribution and financing be adopted in order to distribute on a wide scale the resources of our country and what our Canadians are able to produce.

[*English*]

Mr. Charles H. Thomas (Moncton): Mr. Speaker, as a newcomer to this house but no stranger to Your Honour's great reputation, may I add my congratulations on your re-election as Speaker. I would like also to add my congratulations to the newly elected Deputy Speaker and to the mover (Mr. Corbin) and seconder (Mr. Marchand) of the address in reply to the Speech from the Throne. In the case of the mover and seconder I must mingle my congratulations on their efforts with commiseration for the problem they faced in trying to be enthusiastic about such a shoddy and empty thing as the Speech from the Throne. Previous speakers on this side of the house have already dealt with its shortcomings. I do not wish to be repetitive. I would simply say of this speech that it missed a golden opportunity to excite the imagination of the Canadian people; it failed in perception of the real problems facing this country; it was vague, windy and depressing.

We from the Atlantic region had looked forward to the Speech from the Throne in view of the promises made in our area by government spokesmen during the recent election campaign. We had been led to believe that we stood on the verge of a great new era of development and progress. Today we feel let down. There is nothing in the government's outline of legislative intention to indicate that there is any awareness of the basic problems, the real needs of the Atlantic region. We have again been bypassed, as we have been ever since 1963.

This may be not so strange, however, when one considers the results of the election in the Atlantic provinces. It may be, as one western member has already suggested, that Liberal concern and Liberal action will be confined to those areas which returned a larger percentage of Liberal members. On the basis of the evidence so far it seems that the just society, as another distinguished colleague so aptly put it, is just for Grits.

I am not alone among residents of the Atlantic region in being suspicious of many of the instant schemes put forward. We have suffered too long from a proliferation of boards, commissions and departmental agencies set up to solve various regional problems. This is an approach that experience has shown to be wasteful and ineffective, a shotgun approach. As the second annual report of

the Atlantic Provinces Economic Council, just released, puts it:

> The response on Ottawa's part has been inadequate, unimaginative and lacking in a real understanding of the nature of Canadian society.

Among the consequences, out-migration at a rate incompatible with the closing of the income gap between the Atlantic provinces and the rest of Canada has not been slowed, and APEC proposed development goals of a year ago are far short of fruition. What we need first is a sober reassessment of our basic problem, a lack of job opportunities for our people, and a real determination to do something about it. This must be followed by a common sense approach to solving the problem, utilizing the simplest possible organization. We need co-ordination of effort, not centralization of control.

Many of us have been alarmed and disillusioned by the emphasis given by this government to that hoary old solution for all our problems, the department of regional development. Let me call as witness on this point someone whom the government must consider impeccable because he is a former Liberal member of parliament from Nova Scotia, a former parliamentary secretary and at present a key official in the office of the President of the Privy Council (Mr. Macdonald). I refer to Dr. J. B. Stewart.

• (4:20 p.m.)

In this house on April 13, 1965, he made some very astute observations on this very point. They may be found at page 342 of *Hansard* for that date. I will not quote him extensively but he said in part:

> —I am glad that the government has resisted the temptation, an almost inevitable temptation, I suppose, to set up a ministry for regional development. That would have been a mistake. What is needed is the ordinary departmental approach to this problem, co-ordinated by the minister whose job it is to co-ordinate the works of the several departments, namely the Prime Minister.

I echo those sentiments, Mr. Speaker. Proper and adequate bodies already exist to do the things that are necessary for the betterment of the Atlantic region. The last thing we need is a rash of new ones. One of the principal, and perhaps the most valuable, of the existing bodies is the Atlantic Development Board. If only it were allowed to do what it was set up to do, free of hobbles, interference and red tape, we might expect progress. My great fear is that in the enthusiasm to paint over old problems with new names, the Atlantic Development Board may be rendered useless, lost in the shuffle.

In this, my maiden speech, I want to avoid appearing too local or parochial. This should not be too difficult because the matters with which I as the member for Moncton am concerned are common to the entire Atlantic region, such as antiquated and inadequate transportation facilities, lack of job opportunities, high cost of living, lack of adequate housing, chronic unemployment, running in our area often at twice the rate of the national figure, lack of a practical system for welfare and social assistance, underemployment, industrial starvation—the list is endless. The main reason I speak of my home riding of Moncton is that the city of Moncton, because of its location, is a natural and inescapable hub for the Atlantic region in such matters as transportation and hence industrial development.

Moncton has been cast in the role of the transportation and distribution centre of the maritime area. Changes in the economic picture of Newfoundland, Prince Edward Island, Nova Scotia or much of New Brunswick are inevitably reflected in the economy of the Moncton area. So you will understand, Mr. Speaker, that if now or in the future I plead the cause of Moncton I am in effect pleading the cause of the Atlantic region as a whole, and vice-versa.

I was more than a little perturbed to hear the hon. member for Madawaska-Victoria (Mr. Corbin) mention his views on the corridor road proposed to link Quebec with the province of New Brunswick through the state of Maine. He dismissed it as unlikely to be of much economic benefit to his particular area because its proposed junction with the Canadian section would lie in southern New Brunswick. This, I suggest, is a narrow, shortsighted view. It reflects the type of thinking that makes attainment of true regional, social and economic parity so difficult of achievement in this country.

Such projects cannot be looked at simply in terms of the interest of one municipality, one small section of one province. It is generally conceded in the Atlantic region that such a corridor road would bring economic benefits and hence social benefits not only to southern New Brunswick or the province of New Brunswick but to the entire area of Canada's Atlantic territories. I am sure the hon. member for Madawaska-Victoria would be among the first to admit this, were he to give the matter honest consideration beyond the restrictions imposed by purely local thinking.

There are many things that could be done to help the Atlantic region, such as new national park development served by good modern highways to stimulate and increase tourism, the bettering of existing and very popular tourist facilities, the provision of a better road, rail and air network generally, not forgetting, of course, such vital links as the Prince Edward Island causeway. But at the heart of the matter lies the problem of producing within the four provinces of the east coast a sound industrial base, capable of regular and natural growth, free, when possible, of subsidy or other public assistance and able to hold its own in the markets of central Canada, North America and the world.

Only by creating such a base can we begin to solve the pressing social problems such as poverty, unemployment, poor health, inadequate educational facilities and a gradually wasting population. In this we must think nationally in terms of turning areas of national liability into sources of national asset. One of the first steps that must be taken in establishing a healthy industrial climate in the Atlantic region, I believe, is to tackle and solve the problem of excessive transportation costs. It would be idle for us to talk of just societies, regional equality and a united nation if this question is not solved. The ruinous cost of transportation is the single greatest cause of Atlantic region backwardness today.

We do not want handouts. We do not want to live on the dole. We want help to be able to help ourselves. All we ask of the rest of Canada is an understanding that our problems are not ours alone but the nation's and that the sooner we can look after ourselves the sooner will all Canadians benefit.

As things now stand, federal government assistance puts a premium on destitution. Their measures, however well-intentioned, have erected unemployment into a way of life for many. No able-bodied person can qualify for relief unless totally unemployed. This leaves a great segment of our population underemployed, working, but earning below a human subsistence level, and completely unassisted. They should be helped. They must be helped. But such help as social welfare in the form of relief payments must be strictly a stopgap emergency measure. What we want is a plan to provide the work that the people of the Atlantic region are willing, able and eager to do. Let me paraphrase the late Sir Winston Churchill by saying "give us the jobs and we'll turn out the tools", and by tools I mean the goods, the services, the abilities and the brains which the Atlantic region is capable of producing in abundance for their own advancement and the advancement of the whole nation.

However, Mr. Speaker, I must come back to what I said before, namely that in our region the key to everything is transportation, complete, efficient, fast and economical transportation by road, by rail, by water and by air. This means only one thing—a new, comprehensive transportation policy.

I was startled the other day in the house to hear the Minister of Transport (Mr. Hellyer), in answer to a question from the hon. member for Cumberland-Colchester North (Mr. Coates), avoid the problem of formulating an adequate transportation policy by saying he was hoping to receive some useful suggestions from the premiers of the Atlantic provinces. Surely the minister has been long enough in office to know that there are more than 80 extensive and thoughtful briefs on file from various municipalities, provinces and other bodies setting out practical suggestions in great detail.

Of course, these briefs were filed last session with the standing committee on transportation and communications. Unfortunately the committee never got around to hearing these briefs on their home ground because they were impeded by the notoriously bad transportation bottlenecks in the Atlantic provinces, stuck in the ice of the Northumberland strait, snowbound on Prince Edward Island, where there is still no all-weather transportation route, and subsequently recalled to Ottawa by the party whips.

I should like to suggest to the minister that this standing committee be immediately reconstituted, that it meet as soon as possible and set up a series of meetings and public hearings on the ground where the chief transportation problems exist, namely, the Atlantic provinces.

Some hon. Members: Hear, hear.

Mr. Thomas (Moncton): May I quote the following from the Moncton *Times-Transcript* in connection with this suggestion:

> It is clear to Atlantic residents—having suffered from transportation shortcomings for years—that there is little hope of any constructive action coming from Ottawa as long as those whose task it is to make the required changes try to do so from the comfort of the Commons chamber.

I agree wholeheartedly with this observation. I believe that what is required is on the

spot investigation of transportation conditions by members of the committee in person and in the locality.

The same editorial goes on to speak of the blow to maritime industry struck by changes in the freight rates. This is a complex subject and one on which I will not attempt to elaborate at this time, but it is one to which I will return at a later date. Suffice it to say that this is one of the aspects of a poor transportation picture which grows worse daily and is continually militating against efforts at industrial development.

• (4:30 p.m.)

Then, too, there is the newest concept in transportation, which is actually a revival of the old idea of North America acting as a land bridge between Europe and Asia. Changes in transportation technology indicate that goods can be shipped between Asia and Europe more cheaply and faster over a North American land route than through the Panama Canal. The freight is trans-shipped in standard sized containers on special trains that are never uncoupled and are used only for this purpose.

But we must move quickly to provide a deep-water superport on the east coast, capable of handling these huge new supercarriers. The United States is all too aware of the potential involved and is already negotiating with the land carriers to use United States ports. The maritimes area has several possible sites, any of which can be developed, and such development should be an integral part of the over-all transportation scheme.

In my initial address in this house I have tried simply to highlight some of the problems that face the people of my own constituency, and the Atlantic region as a whole. There is a great deal more to be said on all these subjects, but I believe individual topics can be dealt with more appropriately when various special pieces of legislation come before the house.

If nothing else, I would like to feel that members, government members in particular, have caught something of the urgency of the situation in the Atlantic region and that they now more fully appreciate that this is not merely a regional problem but a national one. I trust, too, that they are not under the impression that we of the Atlantic provinces are seeking more hand-outs, more money or begging in any sense. We are not. We are seeking more effective forms of assistance in order that we may become self sufficient and play our proper and full role, as Canadians, in making our country prosper and grow.

One tangible way in which the government could show that they appreciate the urgency of our position would be by activating the transportation and communications committee and having it visit the area of greatest concern. We from the Atlantic region came to Ottawa expecting much, Mr. Speaker. We were promised much, if not by the Prime Minister (Mr. Trudeau) on his fleeting election campaign visits, then certainly by his spokesmen. So far, we have been disappointed. The Prime Minister frequently takes public pride in not having made any election promises. He may not have made many explicit promises, but he made one gigantic implicit promise. His whole election pitch was one great promise to the Canadian people that, under him, things would be changed; things would be done; things would be different. He was elected to head a majority government. He is now Prime Minister of Canada. Let him now redeem the promise that brought him to office. Thank you.

[*Translation*]

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, may I be permitted to join the other hon. members of this house in congratulating you on your election as Speaker of the house? We wish you full success in the discharge of your duties.

[*English*]

It is a great honour for me to join in the deliberations of this chamber, an institution which, in the tradition of the mother parliament, has fought for and created popular political democracy. It is a forum in which is presented the government's policies for Canada and a forum for exposé, criticism, and the presentation of the policies of the opposition. The many voices of the people of Canada echo in this chamber. These historic walls remind one of the long history of meaningful controversies which have been fought in Canadian parliament: our Confederation; the opening of the west and our transportation policies; free trade and tariff protection; war, peace and conscription; the opening of the north. Canadian identity and nationality have been forged in large measure within these walls.

I regret to say that this rich and meaningful tradition of the best in parliament stands in marked contrast to the aimless debates of the past days. I do not mean to be critical of

those hon. members whose eloquence has been no less than that of other days. On the contrary, we have been doing honour and lip service to a tradition of debate on the address in reply to the Speech from the Throne. This is a tradition which is as much a part of our proceedings as is the high tradition of sharp debate, of meaningful exposé and of controversy to which I have just referred.

Let me for a moment examine our traditions in the spirit that the best be preserved and enlarged and that the worst, in which I include the very one which I have risen to celebrate, be abandoned. My theme comes from the answer of the right hon. Prime Minister to the Leader of the Opposition (Mr. Stanfield) when he observed that the Speech from the Throne has always been criticized in identical terms and would be so criticized even if it were written by the Holy Ghost. In this reply the Prime Minister revealed a state secret little known throughout the country because many Canadians believed in fact that this time the Speech from the Throne would be written by the Holy Ghost. It is exposed to us, therefore, as the handiwork, of mortal man.

In a similar vein we can expect that the government's legislative program, which will soon be introduced, will be the work of mortals. As such, the government's detailed proposals when presented will bear due praise and some valid criticism. No doubt much of both will be forthcoming. However, I suggest that the criticism and praise which have been offered during the past few days are premature. As in the case of every Speech from the Throne, irrespective of the political party which inspires it, there is not yet enough material for debate. The government's programs are not yet sufficiently before us. They are not before us because we are celebrating, indeed we are revelling in, a tradition which I hope will die with this parliament.

I have the honour to represent a new and great riding in Toronto. It is a riding which greatly admires the Prime Minister. It is also a riding with great expectations of this government. In fact, I am here in place of a distinguished Canadian, Mr. Dalton Camp, who would have been an ornament across the aisle, one of the few. My constituents supported the Liberals because they believed that a fresh approach and a critical review to rationalize all our institutions would be of benefit to this country. As the hon. Prime Minister observed on leaders' day, our responsibilities here increase while our time for deliberation remains constant. Every hour, indeed every minute, of the time of this house is precious. After nearly two weeks of debate we have not yet begun our significant business, and tradition precludes the commencement of government business until Wednesday.

If government business is to be postponed for a given number of days from the beginning of each session, let these days serve some useful purpose. I agree with the observations of the hon. member for Esquimalt-Saanich (Mr. Anderson); that is, there are over 100 private members' resolutions and bills before us and we might have tackled these. We might have approached this formidable list. Surely, all of us are sorry that we did not.

Our great democracy finds its shield within these walls; but what would the people of Canada think of parliament if they knew what has been going on here lately?

• (4:40 p.m.)

Mr. Walter C. Carter (St. John's West): Mr. Speaker, it gives me great pleasure to join with previous speakers in extending to you my sincere congratulations on your election to the high office of Speaker of this house. I should like also to extend congratulations to the mover (Mr. Corbin), and seconder (Mr. Marchand), of the address in reply. In my opinion, Mr. Speaker, both men did an excellent job, one which should make their constituents very proud of them.

I know that my constituents would want me to extend to His Excellency the Governor General and Mrs. Michener a sincere expression of our love, loyalty and respect and our heartfelt thanks for according us the honour and pleasure of visiting our province a few months ago. I can tell all hon. members that Her Majesty's representatives were warmly received by the people of Newfoundland and they left behind them a renewed sense of loyalty to the crown as well as a genuine feeling of pride in belonging to this great Canadian nation of ours.

It goes without saying, sir, that I am deeply honoured to have been elected by the people of St. John's West to represent them in this parliament. It is an honour that comes to few men in their lifetime, and needless to say it is one that I shall treat with respect and dedication during my term of office.

My province, sir, having as it does a centuries old tradition of loyalty to the crown, also has a deep and lasting loyalty to Canada. Although we have been a province for less than 20 years, I can tell this honourable house that all but a very few of my fellow Newfoundlanders are extremely proud to be part of this great Canada of ours. The people of my province are desperately anxious to make their contribution and to play their part in the building of a strong and prosperous nation. I repeat, sir, that my fellow Newfoundlanders are anxious to play their part in the building of a strong Canada and to contribute to this union of ours which took place in 1949.

I make that point because I suspect that as a result of the utterances of certain Newfoundland politicians the average Canadian citizen may very well have the impression that Newfoundland is getting the best of the bargain, that our union is a one-sided effort. This, Mr. Speaker, is not true.

In 1949 when my people elected to become part of Canada I was too young to vote. I did, however, favour Newfoundland's confederation with Canada while at the same time entertaining certain doubts as to the method by which it was brought about. Like all of my fellow countrymen I was extremely proud of my heritage and of our centuries old tradition of independence. But yet—and again like the majority of my fellow Newfoundlanders—I knew that we could not continue to pay the price we were paying for our independence. I also, knew, sir, that the only hope for Newfoundland was to throw in its lot with our Canadian neighbours.

I am happy, Mr. Speaker, that the people of my province took that bold step in 1949, and it was a bold step, and became part of this great nation. I am proud to be a Canadian. My fellow Newfoundlanders, with very few exceptions, sir, are also proud to be Canadians.

Here, Mr. Speaker, I have a confession to make to my fellow members and to the Canadian people. I must confess that in 1949 I was conceited. I was a young fellow 20 years old and could not see past this Newfoundland of ours where we would stand to attention and sing the "Ode to Newfoundland". I was conceited enough to think that Canada was getting the best of the bargain. I have another confession to make, sir. I think that in this respect my opinions have not changed.

For our part, Mr. Speaker, in terms of national resources we brought to this great nation one of the most wealthy land masses in North America. We conveyed, as it were, to this Canadian nation North America's last great frontier, Labrador. In terms of human resources, which I think all hon. members will agree is the greatest of all resources, we brought to this nation of Canada more than a quarter of a million industrial, Godfearing, hard working people of good British, Scottish and Irish ancestry. Do you blame me, Mr. Speaker, for getting the impression or for becoming conceited enough to think that Canada got the best of the bargain in 1949? And do you blame me for maintaining those views?

Newfoundland, as I have pointed out, is part of this great nation of Canada, and I repeat that we are very proud of it. Our province, sir, is separated from the mainland of Canada by approximately 90 miles of water. This is the distance between North Sydney and Port aux Basques. Those 90 nautical miles have a profound effect upon the economy of our island province.

The sea, which is the source of Newfoundland's prosperity, is also a kind of extra tariff that has been imposed upon the people of Newfoundland, I suppose as the price that we must pay for living in the best province of Canada. The price that we are paying results from this very expensive 90 miles of water that separates North Sydney from Port aux Basques. This tariff, that is imposed is in the form of transportation costs on all products that we must import from the Canadian mainland. It applies, of course, to machinery, equipment, building materials, eggs, produce of all kinds, milk and many of the things that the average Canadian citizen takes for granted in almost every other place in Canada.

Unfortunately, Mr. Speaker, in many respects the province of Newfoundland is a province of extremes. We have the highest, I repeat the highest, cost of living in Canada. Our average per capita income is the lowest. We have the highest rate of unemployment in Canada and we have the highest building costs. Newfoundland's per capita debt is soaring to a dangerously high level. Keeping pace with our rising capital debt is the tax burden that is being imposed upon our people. Therefore, putting all these factors together, I am sure all hon. members will agree with me when I say that we have our problems in Newfoundland.

Another very important fact that we must not froget, and of which Newfoundlanders are proud, is that for some strange reason that I

cannot explain Newfoundland has the highest birth rate in Canada and the lowest death rate. So, throwing all these considerations together, Mr. Speaker, what do we have? We have in Newfoundland today a very serious economic situation, one which we are desperately trying to solve and are looking to the Canadian government for help in solving.

• (4:50 p.m.)

The fact that, historically, Newfoundlanders have turned their eyes to the sea rather than on land resources may explain the imbalance of our trade. From the bountiful depths of the sea surrounding our province the major part of our subsistence is derived, and therein lies one of our major problems. At best it is a subsistence and no more.

We have a college of fisheries in Newfoundland, and I ask the Minister of Fisheries (Mr. Davis) to consider my request to provide a deep sea dragger for our fishing college. In this way our Newfoundlanders who are learning to become expert fishermen will have a chance to gain some actual experience in their trade. I am calling this matter to the government's attention and, especially, to the attention of the Minister of Fisheries who, I am sure, will appreciate the need for such a dragger. I repeat, I ask the government to provide a deep sea dragger for this fisheries college in Newfoundland. I have no hesitation in bringing forward my recommendation since I am aware that $100 million a year is being spent on external aid. I would consider the government's action, if it should equip our fisheries college with a dragger, as a little bit of internal aid which is as important to this nation, and to Newfoundland, as external aid is to other nations.

I take issue with the hon. member for Burin-Burgeo (Mr. Jamieson), Newfoundland's cabinet representative, for remarks he made in the house on Friday last concerning the federal government's decision to discontinue the salt rebate. We are aware of the hon. member's delicate position as the member for Burin-Burgeo and as a minister of the crown. Since he was talking about matters pertaining to our province, I should have expected him at least to take a position sympathetic to the needs of our province.

Mr. Stanfield: Hear, hear.

Mr. Carter: I am sure the minister didn't intend to mislead this house deliberately. Nevertheless, in his usually eloquent way, he succeeded in misrepresenting completely the views of hon. members representing Newfoundland who sit on this side of the house.

At no time did we take the position that the salt rebate ought to continue. What we did say, and I repeat this, is that the salt rebate should be allowed to continue until the government is in a position to decide upon a substitute program. We find it difficult to understand why the government would discontinue the salt rebate, which is of vital importance to Newfoundland fishermen, in the middle of the fishing season when the salt fishermen were in the process of prosecuting the Labrador fishery. At this crucial moment the government, with my hon. friend's consent, decided to discontinue this important salt rebate program. That is shameful, and I am disappointed in my friend and colleague from Newfoundland for taking the position he took in this house on Friday in defending the government's position.

God knows, Mr. Speaker, the life of a fisherman is hard. It is a life demanding the utmost of those who engage in it. Newfoundlanders and their counterparts in other Atlantic provinces are not afraid of hardship. Our people have suffered hardships and borne the fury of wind and weather for generations. We are bred to it and we have not changed. Our Atlantic coast fishermen, including our Newfoundland fishermen, are accustomed to hard times, to hardships and to braving the elements. Our people have not changed, and I suspect they will never change. Our fishermen, not unlike their counterparts in other industries, want to be employed, want to fish. At the same time they want to be assured of a market for their fish, as well as a decent price for their fish.

Today our fisheries are in deep trouble, Mr. Speaker. This is another area where the government announces paper programs which do not go into effect or, if they do, make the situation worse than it was before. The fishing industry is basic to the economy of the Atlantic provinces. I might ask, what has happened to our fishing industry? I think most hon. members know the answer.

Prices have dropped and foreign competition is eating into our traditional markets for salt and frozen fish. As a result of technological advances, eastern European countries have placed in our waters floating fish factories with which our fishermen are expected to compete on equal terms. Surely, if the government means business, it is time for it to take action on a massive scale to maintain the competitive capacity of the Canadian fishing

industry in the catching, processing and marketing of fish.

The fishing industry will not cure itself of its ills. Our fishermen are competing against foreign interests supported and subsidized by foreign governments. In order for the Canadian fisherman and the industry in general, to compete on equal terms with others in our waters, it is vitally necessary that we have the full support of the federal government and the benefit of all its services. I am referring now to something more than the kind of lip service we have had.

Fish products ought to play a greater part in external aid shipments. This would be one way of maintaining our traditional markets. Also, we must have more research in the uses of fish. We must have more modern, up to date equipment and the assurance of being able to fish in our own waters unmolested within the 12 mile limit. That may be impossible, but let us try to impose that limit. If the limit cannot be imposed, the government ought to inform the fishermen of that fact. It ought to be honest with them.

Some hon. Members: Hear, hear.

Mr. Carter: I am sorry the Minister of Fisheries is not here. I say it is time this government stopped pussyfooting around with the 12 mile limit.

Some hon. Members: Hear, hear.

Mr. Carter: Under the policies of successive Liberal governments, we have watched the encroachment upon our industry by United States interests. We are watching the encroachment of foreign shipping on our fishing resources on a scale that will deplete these resources in a short time. Also, we are watching our markets dwindle away.

I say to the government, if it has a policy let us hear about it. If it has no policy let us not go through the farce—I repeat—the farce of having a Department of Fisheries that is unable, apparently, to suggest or produce a policy.

The marketing of fish constitutes a major problem, and in order to save the Atlantic fishermen there may be no course open except the establishment of a federal fish commodity marketing board which would operate very much in the same way the grain marketing board operates.

The Canadian Wheat Board imparted stability to the economy of western Canada. Perhaps a fish commodity marketing board, under federal government auspices, could provide a measure of stability to the economy of the Atlantic provinces.

• (5:00 p.m.)

I would ask the Prime Minister (Mr. Trudeau) this question, Mr. Speaker: where is the just society when a man with a family fishes all the summer and is forced to endure hardships almost beyond human endurance and as a result of a disorganized fishery policy which means that the rock bottom prices he receives barely provides enough to keep body and soul together? Is this the just society? I do not think so and I wonder whether the Prime Minister is naïve enough to believe that the lonely, forgotten Newfoundland fishermen of Cape St. Mary's will be fooled by his promise of a just society? Our fishermen well remember other slogans, other promises which have been offered them in place of action. They will remember the war on poverty, the Company of Young Canadians—meaningless words manufactured by some coin-operated word factory in the back rooms of the Liberal party.

Some hon. Members: Hear, hear.

Mr. Carter: Low incomes, high costs, exploitation and hard work; that is the story of Canada's Atlantic coast fishermen. It is the story of our Newfoundland fishermen. In my riding, which contains a large number of fishermen, it is almost embarrassing to see what is happening—to see men who struggle, who work hard, who face the perils of the north Atlantic, come in with a look of desperation on their faces. These are the men who are suffering as a result of low incomes and high costs, men who have been exploited for centuries. It is a situation which should make a lot of people ashamed to look their fellow men in the face. The exploitation which is imposed on the average Newfoundland fisherman is incredible; words cannot explain the situation which has resulted from this exploitation of his hard work. This is the story of the Atlantic coast fishermen and the story of the Newfoundland fishermen.

I said that in Newfoundland we face high living costs and high costs of building. The birth rate is high and the death rate is low. Taxation is high, and so on. All these things are related to the desperate housing situation which exists in my province today. I regret the roving Minister of Transport (Mr. Hellyer) is not here to hear me say that the provisions of the National Housing Act are totally

unrealistic in relation to conditions in Newfoundland. This is why large numbers of our people are forced to live in houses which are substantially below standard. A vast number of my people—and I suspect this applies generally in the Atlantic provinces—are unable to meet the income provisions enabling them to qualify for an N.H.A. loan. Let me remind hon. members that more than 85 per cent of the people of the St. John's district which I have the honour to represent earn less than $6,000 a year. What comfort do they get from this government's housing policy under which a person must earn a minimum of $8,000 a year to qualify for an N.H.A. mortgage of $18,000? Is it any wonder that the people of my riding, and, I suspect, the people of Canada generally, look upon this promise of a just society as the paradox of the century. I say this because the very people who have created the terrible injustices in our society today, such as the high cost of living, the high taxes and a high unemployment rate, are those who are now preaching the just society and who based their whole campaign on that concept only a few short months ago.

Consider the justice of our society under the present government in Newfoundland and, particularly, in St. John's West. We are living in a society which was designed, in my opinion, to handicap a certain class of people, those in the middle and low income groups. These are the people who make up more than 85 per cent of the population of my riding. It is they who are being handicapped and who are suffering economic hardship. Can you imagine, Mr. Speaker, the reactions of our people, living as they do under the gun of hard times, when the government which is responsible talks piously about a just society? It is the paradox of the century. The people who concern me are those in the middle and low income brackets, those who earn less than $6,000 a year, and in my province, in my city, they are by far in the majority. These are the people who are caught in the economic squeeze inasmuch as they do not earn sufficient money to enable them to qualify for an N.H.A. mortgage with which to buy or build a new home.

On the other hand, because their incomes exceed a certain figure—I believe it is $3,000 or $4,000 a year—they are unable to qualify for housing under the municipal-provincial-federal housing plan. These are the very people who cannot afford to pay the high rents which have been brought about in our inflated economy. This is the group which includes tradesmen, labourers, fishermen, office workers, farmers and our longshoremen. This is the group which is being caught in this ungodly, unfair and unjust economic squeeze. These are the people who make this country tick; they are the backbone of Canada, yet they are required to bear the burden of all the ills and mistakes of the Liberal government.

• (5:10 p.m.)

It is the old story of the government calling the tune but it is the average Joe, the average citizen, who pays the piper. I ask hon. members of this house is that the just society? I suggest, Mr. Speaker—

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member but the time allotted to him has expired. Unless unanimous consent is given to the hon. member to continue, I will recognize another hon. member.

Some hon. Members: Carry on.

Mr. Carter: I thank you very much, Mr. Speaker, and other hon. members for allowing me to carry on.

I would be a traitor to Newfoundland and afraid to go back to Newfoundland if I ended my speech without making reference to the great train robbery now taking place in Newfoundland. In my opinion, the people who schemed the great train robbery in Great Britain a few years ago were a bunch of kindergarten kids compared with the people who have schemed the great train robbery in Newfoundland where rail passenger service is being replaced by buses.

I could scarcely believe my ears on Friday last when I heard the Minister of Defence Production (Mr. Jamieson), the hon. member for Burin-Burgeo, advance his weak argument supporting the decision of the Canadian National and the Canadian Transportation Commission to abandon rail passenger service in Newfoundland. He confirmed what we in Newfoundland have known for a long time, or at least what we have suspected, that there has been a deal made between the Liberal government in Ottawa and the Liberal provincial government in Newfoundland to cancel this important service in return for the fulfilment of a political promise. I refer to the federal government's decision to pay 90 per cent of the cost of completing the trans-Canada highway in Newfoundland.

I am sure hon. members know there is not a rail passenger service in Canada, at least I do not know of one, that is paying its way. So, Mr. Speaker, why pick on Newfoundland where there is a greater need for transportation than in any other province in Canada? Why pick on us? Why not do this in the other provinces? I am sure there is no rail passenger service in other provinces that is making money.

I serve notice on the Minister of Transport (Mr. Hellyer), I serve notice on the government of Canada, and I serve notice on the people of Canada that the people of Newfoundland are not going to sit by and see their "Newfoundland Bullet", if you want to call it that, taken away. We are going to fight this to the last man and I hope we will have the support of this house, and of the Canadian people, in our efforts to retain that which is rightfully ours, an adequate rail passenger service across the province of Newfoundland.

Some hon. Members: Hear, hear.

Mr. Carter: We Newfoundlanders want to be partners in this great and wonderful confederation. We are not asking for special status. But let me tell you, sir, and let the word go out today to all of Canada, that we will not accept anything less than equal status. We are not asking for special status but we will insist on equal status.

My fellow Newfoundlanders share my vision of a great and glorious Canada. They share my vision of a Canada where our children will stand tall and walk straight, where they will weep with pride as they sing "O Canada, our home our native land," as did their forefathers when they sang their national anthem:

> When sun rays crown thy pine clad hills
> And summer spreads her hand,
> When silvern voices tune thy rills,
> God guard thee Newfoundland.

Some hon. Members: Hear, hear.

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, even though I have been sitting in this house for the last three years I feel like taking the floor this afternoon to make my maiden speech. As you know, during those three years I was relegated to the other end of the chamber and did not have the opportunity I have now to work with a team, a strong team and a good team, one that impresses me a lot.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Mongrain: Mr. Speaker, from the beginning of this debate, flowers, I should say heaps of flowers, fragrant, bright and perfectly well-deserved have been showered upon the incumbent of this position and all those appointed to assist him in his functions. I would not want to repeat everything which was said, but like many of my colleagues, I join in the praises offered to the Speaker and to those appointed to assist him in his task.

Mr. Speaker, I would like also, while I pay you these compliments—

[*English*]

I would like to make special mention of the Assistant Clerk of the house, Mr. Dubroy, who presented us with a magnificent performance as a result of his facility in remembering the names of new members, whom he has probably never seen before, as well as the names of new ridings. I think he deserves the highest congratulations.

Some hon. Members: Hear, hear.

[*Translation*]

Usually, Mr. Speaker, the mover and the seconder (Messrs. Corbin and Marchand) of the address in reply to the Speech from the Throne perform their duties with great seriousness, that is sure, and spend a great deal of time preparing themselves. Usually, they make speeches which attract the attention of the whole house. But I think that this year, the mover and the seconder (Messrs. Corbin and Marchand) performed their task in a more brilliant way than those I had the opportunity to hear in the past, and I should like to congratulate them for it.

For those who, like me, start to grow old, it is comforting, Mr. Speaker, to see that such fine young people, bright, conscientious and quite well-informed, with a sense of responsibility will continue in the furrow which we ploughed for 20 or 25 years in various aspects of the public life. Therefore, I offer them my congratulations.

Of course, I should like also to congratulate the leaders of the parties, first for their re-election and then for the seriousness with which they carry out their duties.

It is comforting I think, Mr. Speaker, for a member interested in the welfare of his country, to realize to what degree of responsibility—I mention the opposition only because, I will refer to the Prime Minister (Mr. Trudeau) soon—the Leader of the

Official Opposition (Mr. Stanfield) carries out his duty, which is to oppose, naturally. On the government side, of course, we think sometimes that he opposes a little too vehemently, but it is his job and that of his colleagues, and we can say that he does it very conscientiously and quite seriously.

The same is true of the leaders of the other opposition parties, the NDP and the Ralliement créditiste.

• (5:20 p.m.)

I would wish that the members of the Ralliement créditiste were as sincere and serious as their leader when speaking in the house. Although his humour and wit sometimes surprise some of the members of this house, his comments are always basically serious.

Mr. Speaker, the winners of the last election have been congratulated. But I have a complex. I am thinking of those members of all the parties who bit dust on election day. I realize that that happens in all elections, but I am thinking in particular of those who worked for years in Canadian politics and did their best and who were disappointed. I am also thinking of those who were running for the first time and who felt on that day rather like one feels the first time one is disappointed in love. I should like to offer my sympathy to those Canadians.

Mr. Speaker, a few days ago I had first risen on a question of privilege in order to vindicate someone who was a member of this house. A member of the opposition objected, though I knew I was interpreting rather loosely the Rules of the house. But I had risen on a question of privilege pertaining to a matter of humanity and Christian charity, and I had hoped that the house would let me get on with it. As the opposition objected I was unable to finish my statement. I would like to have a couple of minutes now, to conclude what I was saying the other day about the hon. Yvon Dupuis, who was wrongly accused and who lost the first law suit. Three learned judges of the appeal court, the honourable Montgomery, Owen and Taschereau granted him leave of appeal and unanimously agreed that he had not been given a fair trial. Therefore, he appealed and I shall now quote an excerpt from *Le Devoir*, dated April 19, 1968, reporting the conclusion that was reached on this unfortunate situation:

> Counsels Raymond D'aoust and Paul Martineau were acting on behalf of the accused, now exonerated after three years of legal proceedings. The second trial began on March 12th and lasted but six minutes as both parties were agreed to submit to Judge Marc-Henri Blain some 6,700 pages of evidence making up 33 volumes pertaining to the first trial and to the documents that were later transferred to the Appeal Court.
>
> In his judgement contained in about forty pages, Mr. Justice Blain asserts that in his opinion Mr. Dupuis had never received the $10,000 and that, consequently, he must be cleared of the accusation.

I felt it was important, Mr. Speaker, that this unfortunate and nauseating story which started in this very house, with the resignation of a most promising young man be recorded in *Hansard* so that at least his acquittal be given as much publicity as the country's newspapers gave to the false accusation which was such a terrible ordeal for his family during three whole years.

Mr. Speaker, I have noted everything that has been said by the opposition about the Speech from the Throne; I like to listen to all the speeches, though they are not all equally good. For instance, I have observed that many members of the opposition find that the Speech from the Throne is rather meaningless, because it leaves certain things unsaid. It outlines only those measures which were high on the priority list. Had the Prime Minister decided to insert in the Speech the full details of all his projects, we, the poor members of the House of Commons standing at the rear and sometimes unable even to hear His Excellency, would have been waiting there, I think, for fully 24 hours. One must be reasonable however and not demand such a feat. I think that the main points of this government's program are very clearly stated for anyone who can read between the lines.

Mr. Speaker, it has been said and repeated many times that people would like to know how the Prime Minister and his colleagues will create that just society. Of course, I understand the members of the opposition and I have much sympathy for them who are in the dark about so many things. In fact, I have so much sympathy for them that I feel like offering them my condolences for being on the wrong side of the house. But we, who are on this side, know where we stand. The Prime Minister and his colleagues have told us where they are going and we are very pleased to see that they know where they are going, that they have taken positive steps to bring about a just society and our minds are fully at rest on that point.

I will go further, Mr. Speaker, and I will say that the concern shown by the opposition from the very beginning of the debate, in saying over and over again: "How is it that we do not have this just society at once", is an indication that even the opposition has

been deeply impressed by the Prime Minister, that it came out of this election as enraptured as the rest of the Canadian people and that it expected, right after the opening of parliament, that our extraordinary Prime Minister, with a magic wand, would have created the just society overnight.

We are more realistic than that on the government side. We know that it takes nine months for a child to be born; we know that a tree grows during a given number of years, and that reform of society like the one we want to set up in Canada will take some months at least. Furthermore, those in the opposition who were here under the former government know that there remains more than 47 or 48 bills to be dealt with, or else the opposition would say: Well, you are not going on with the business under way.

Since the opposition is so anxious to see a just society, I hope that it is not going to put a spoke in our wheel. We are going to expedite these 47 bills and tackle the most urgent phases of the reform of our society, in order to create a just society.

Mr. Speaker, the former government has been blamed. Of course, those who are observing the political scene know, because it is as clear as daylight, that we have a new Prime Minister, we have a new government. We have a large number of talented new members. We have a new Liberal party adapted to the 1968 circumstances. If we had to criticize all parties which have formed the government in the last 50 years, we would find many weaknesses. We would find some in the Conservative party but not in the New Democratic party. Of course, we would never find any in the Ralliement Créditiste, as they will never come to power. However, I think it would be more intelligent to proceed as the Prime Minister has just said: "Let bygones be bygones" and let us prepare the future. This is what is being done on the government side in a quite serious way.

Some hon. Members: Hear, hear.

Mr. Mongrain: While waiting for the applause on the other side, Mr. Speaker, I will take the liberty of making a quite unpretentious suggestion, especially for the information of the hon. members opposite. Instead of grouping the Liberals together on the other side of the house, it would perhaps be advisable to scatter them among the members of the Opposition so that they may inform those who are unaware of what is going on here.

Mr. Speaker, I heard this afternoon the hon. member for Shefford (Mr. Rondeau) but I regret that he is not here. He spoke about the kisses and the eagerness of the Canadian ladies for the right hon. Mr. Trudeau. There were also some references during the election campaign to trudeaumania and to the Trudeau myth.

One did not realize, Mr. Speaker, that the Trudeau myth, or Trudeaumania, that is the cult of the right hon. Prime Minister, is probably something which cannot be explained. It probably cannot be analysed as one would do of a mathematical problem. In my view, Mr. Speaker—and I have seen the phenomenon happen in several places, especially in my own riding—it is the people of Canada who have in a way created it. After ten years of uncertainty—because those who were responsible for the management of the country were in a difficult predicament—the people of Canada did not take any more interest in their governement. They seemed to think that nothing ever happened in their country. They did not believe any more that their country was capable of doing great things and suddenly the people of Canada realized that they had discovered a leader, perfectly prepared to fill that role exactly cut out for it, capable of shouldering the terrible responsibilities of our times. The Canadian people was enthralled, from Victoria to St. John; the phenomenon appeared spontaneously and not because the thing had been cooked up or reasoned. That is the way people respond when they discover a providential man. I have seen it in my constituency, Mr. Speaker. I have been in politics for almost 25 years. I have seen enthusiastic crowds of 30,000, 40,000 and 50,000 people and when I prepared the coming of the right honourable Prime Minister in my constituency, the members of the central organization were saying to me: Take all the precautions you can, because you will have trouble holding back the crowd. You will lose control. I said to them: Listen, I have seen some of that before.

• (5:30 p.m.)

Well, let me tell you, Mr. Speaker, what happened at the air terminal where I had let in carefully selected people, staid, middle-age people, serious persons, dignitaries from associations of all kinds, from the municipal government or from the school board. As I was walking about and looking at that crowd, I was thinking that there would be no trouble whatsoever, that everything was going to run smoothly, and remain under control. Mr.

Speaker, I had the surprise of my life when the terminal door opened and the Prime Minister walked in. I was walking in front of him. The crowd exploded; there was a terrific burst and all these people surged toward us. I like to think that I am rather strong and well used to taking care of myself, but the crowd swept us over the Prime Minister and myself at least ten feet, inside the air terminal. It was the same thing during the whole trip, at Trois-Rivières-Ouest, at Trois-Rivières and at Cap-de-la-Madeleine.

During that whole evening, I dreaded accidents and I am still amazed that, miraculously, the Prime Minister's caravan did not run over some of the pedestrians surging in a crowd near the cars, throwing themselves in front of them.

I have seen something still more extraordinary—something I had never seen anywhere, Mr. Speaker. We had organized the beginning of a soft ball match at Cap-de-la-Madeleine and the right hon. Prime Minister was to be the batter; the present Minister of Indian Affairs and Northern Development (Mr. Chrétien) acted as pitcher and I was the catcher. I had asked the police to let nobody come in on the field. A four-foot steel fence surrounds that field and the police had succeeded in keeping away the crowd that was spreading out in the adjoining streets, up to the moment when the Prime Minister struck the first ball, sending it into the field. Then I saw 10, 12, 13, 14, 15 and even 20 year old boys jump over the fence to shake hands with the Prime Minister.

I witnessed an even more extraordinary sight. I saw some respectable matrons of 40, 45 and 50 years of age—perhaps they were Ladies of St. Ann—leap over the fence just to shake hands with the Prime Minister.

I think, Mr. Speaker, that such a spontaneous, enthusiastic and genuine outburst, from Victoria to St. Johns, Newfoundland, is indeed a proof that Canadians, truly and sincerely feel that they found the leader they needed, and who will be able, together with his team to run the country in its best interests.

How will the just society come about? I will say it again to the gentlemen of the opposition: by and by, as circumstances permit and provided the opposition does not cause obstruction, legislation will be introduced by those entrusted with the task. However, co-operation will evidently be required from everybody and everyone will have to do his share.

[Mr. Mongrain.]

In my view, the idea being spread around that everything should come from the government is childish and is not serious. I have tried, Mr. Speaker, to make an analysis of some sort, to find out what it would cost the government if it granted everything that members of the opposition have requested since the beginning of the debate. The total I have come to is of the order of $2 billion and a half to $3 billion. I am sure that if the government were to grant all that, the members of the opposition would be the first ones to say: it does not make sense, taxes will rise. I understand that the opposition feels that such and such a thing should have priority over others, but priorities are not all alike. Apparently all requests claim first priority. Therefore, when there is no consensus, it is up to the government to make a choice, because it carries the responsibility.

Mr. Speaker, I would like this afternoon to touch on one or two subjects more specifically. We hear comments about a just society and the suggestion that one basic condition is necessary to achieve a just society: that is increased national productivity. What is the meaning of productivity? I will venture my own definition: it is the output of manual or intellectual effort by all Canadians who can and want to work. The sum total of all these efforts constitutes the national income with which people can live and pay taxes.

Now I would like to quote from a speech made in this house by the Minister of Labour (Mr. Mackasey) the hon. member for Verdun. These very words are to be found on page 252 of *Hansard*:

> Both parties—
>
> That is management and labour.
>
> —must understand that the prosperity of this great country depends on the productivity of our secondary industries; and productivity, I repeat, depends on co-operation between management and labour, and a mutual respect for each other's particular problems.

I should like to emphasize this afternoon, Mr. Speaker, that our productivity has declined for all sorts of reasons. First of all, of course, there was the unemployment problem, which the government is now trying to solve by measures which seem to me quite realistic and which should give results sooner or later. Then there was also the great number of strikes which are being blamed on the government but which occurred in most cases without the government being able to intervene; it is precisely this point to which I should like to draw the attention of all my colleagues and of the whole Canadian people.

It seems to me, Mr. Speaker, and I should like to repeat it even though I may seem to over-emphasize this point, that strikes, for the most part, represent an obsolete way of solving labour disputes and that in our modern society we should find quicker and less unpleasant ways for workers to manifest discontent than to go on strike.

On this subject, I always quote someone who is an expert in labour matters and certainly can not be accused of anti-unionism; I am referring to Mr. Walter Reuther, the American labour leader who has often said: "It is high time the unions stopped settling their problems at the expense of the community". He also said—and I think this concerns us directly—"It is time also for governments to give them such means of settling their problems which will allow them not to depend on strikes alone".

Just to show, Mr. Speaker, how much the strikes cost the country, I will give you the 1967 statistics. For example, I see that in 1962 Canada had 290 strikes; in 1963: 318; in 1964: 327; in 1965: 478; in 1966: 582; every year the number of strikes increases; in 1967: 958. It is a constant progression. Those 958 strikes in 1967 involved 419,942 workers which represented a loss of 4,044,660 workdays.

Mr. Speaker, we all know that every time a worker is on strike, two or three others will inevitably find themselves out of work. If a firm ceases its activity, carriers will lay off and merchants will feel the pinch. Therefore, to go on with my argument, I shall simply say that for each striker, there is another worker who finds himself idle. I shall not magnify facts and I shall try to be conservative, in the ordinary sense of the word not in the political sense. If 419,942 workers striked in 1967, it means that double that number, or 839,884 Canadians, have wasted time in 1967 because of strikes: 8,089,320 work-days would have been lost. Imagine the fantastic loss of 8 million days of work. Productivity would be affected. Workers would be deprived of part of their earnings, the Canadian economy would be short of that much money. If those workers earned $1.50 per hour—you will notice I am being reasonable because there are not very many workers in this country who still work for $1.50 per hour; some earn up to $4, $4.50 an hour but I do not want to look as if I am exaggerating—and if they worked an eight-hour day, that means that in 1967, Canadian workers were deprived of an income of $97,071,840; and the same goes for the Canadian economy. That certainly did not help productivity. Please note that I speak only of the strikers. I do not refer to the whole economy which suffered because certain sectors were brought to a standstill for one month, two months, six months. I only mention the strikers because otherwise the money the workers or the Canadian economy lost would amount to hundreds of millions of dollars.

Mr. Speaker, I maintain that I say this in a constructive way. I do not want my comments to be interpreted as a condemnation of the government. Far from it. I know the government is now taking steps to improve the worker's lot. I also hope that an agreement can be reached between the three parties, the worker, the employer and the governments and there can be some kind of a truce.

• (5:40 p.m.)

Here is where I would like to make a constructive suggestion. As I said earlier, since we have a new government, a new team, I could say that we have a new Liberal party with a new program. We are in a difficult position in international affairs. It is not only in our country that there should be, between the representatives of labour, management and the government some kind of tripartite agreement to declare a truce, for a period of at least one year, maybe two, to give the government time to put into force new measures which will give more justice to the workers.

If, each time the government is tripped up—to use an expression which is not out of Bossuet—by drawn out strikes which keep half, if not all, our ministers busy, they have no time left for the constructive policies we need in this country to create a just society.

It seems to me that that should interest all Canadians who concern themselves about the common weal, especially the lot of the wage-earner, the people with low incomes. Mind you, I do not necessarily blame trade unions as being responsible for the strikes. There is probably a responsibility at the three levels and that is precisely what leads me to say that there should be an agreement between all three with a view to a truce. And I think that the first to benefit from that would be the wage-earners and the workers precisely.

Mr. Speaker, evidently there will always be in our country people who take pleasure in making demagogic statements for all sorts of reasons: electoral perhaps, selfishness, promotion of certain unions. I would like to appeal

to the conscience of Canadians and tell them that they do not serve their country in such circumstances. It is too easy to blame the government for the unrest in the country. But if we look at the situation in all the countries of the world, we realize that things are going even worse than here.

With no partisan afterthought whatsoever, I submit that everybody would be better off if we forgot these selfish, mean, often childish considerations, and say: Well, our main concern will be Canada's welfare, the welfare of all those people whom we pity because, precisely, they are among the very people we call the poor whom we want to help.

Perhaps, Mr. Speaker, you will allow me to make another suggestion? I do not claim to be an authority in labour-management matters, but I think—and I intend to bring this up again in a more specific fashion in due course —we should study the advisability of setting up labour courts throughout the country. Some circles are frightened of this compulsory arbitration, as it is called. However, all democratic thinkers have always thought that the simplest and fairest way to settle disputes was to have recourse to competent courts of justice.

If labour courts were set up, composed of competent economists and sociologists and people who know the labour code, 90 per cent of our strikes could probably be prevented.

This privilege could be left to workers in some sectors, but I am convinced, Mr. Speaker, that the great majority of workers, even organized workers, are absolutely fed up with these unending strikes. They would be only too happy to find ways of settling their disputes without having to be unemployed and getting into debt for weeks and months on end, with the result that they are always the losers and that the general economy of the country is almost always being jeopardized.

Mr. Speaker, I would like to insist again on my trust in the present government. This is for the guidance of the opposition which is worried and which betrays its concern. As for the opposition, it makes me think of the religious communities, Mr. Speaker. A member of the community goes to the front of the room while his colleagues at the back say of him: He is a liar, he walks badly, he has this or that fault; it is sometimes possible to find some. As for him, he has not even got the privilege of saying that it is not true.

On the government side, we can at least say to the opposition: You are wrong, you are deceiving yourselves, you exaggerate, you are going a little to far.

We have confidence in the legislation presented to us by the Prime Minister precisely because the Prime Minister is a perfectly competent man, whose studies were somewhat extraordinary. He has travelled all over the world. He is free from all personal considerations as to family or any other considerations. He has selected ministers known for their prestige and dynamism. He has chosen also some very good technocrats and I would add modestly, that he is surrounded by a good team of members, which reminds me of the following teaching of St. Paul who said: If I do not brag about myself, who will? Surely, the opposition is not going to brag about us, so we take the liberty of doing it ourselves.

In fact, I think the Prime Minister is setting up the necessary machinery that will enable him to realize the constructive program which will produce a society that is as just as possible. There is no use pretending that it will be paradise on earth, that poverty will disappear as well as our problems and that there will not be any more sickness or death or defeat on election nights. No, there are more trials to come. I should add that one of the reassuring things is that we have a good opposition, and I say this without any reservation. We have a conscientious opposition which lost some good elements but which has also acquired good ones amongst the young. We, of this party, find their work edifying. Even when their duty as members of the opposition makes them exaggerate slightly, they perform their duties well and one of the conditions of the success of this government will be the constant watchfulness of a good opposition.

I would even add, for the interest and guidance of our friends opposite, that there are, on occasion, some small oppositions within the party. With all those constructive elements and those well-intentioned oppositions, all those who want to understand clearly can hope that, within a relatively short time during the term of office of four years this government will have, we will know what a just society is in Canada.

I reiterate my invitation to the representatives of labour and employers and I ask them to comply with the invitation of the government for the common good of this country and put an end to the strikes which threaten our economy.

[*English*]

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, in opening may I say that the official opposition has made many of the points which it intended to make in this debate. Some of the hon. members on the government side have been saying today that it is time we went on to something else. Perhaps that is a good indication that this debate has been worthwhile. We are prepared, if other parties wish it, to close off this debate tonight so that the government may proceed with its legislative program.

Some hon. Members: Hear, hear.

Mr. Aiken: However, there are two qualifications; First, we do have members who are ready, anxious and willing to speak and if the debate does proceed we will be putting up speakers until it ends. Second, we do have a lot of points yet to raise against the government's handling of the affairs of the country and its legislative program as outlined. We will take up these items at some later opportunity.

The throne speech debate is one of the few opportunities left to the opposition to raise questions of policy on its own initiative. I want to take some time to discuss what is becoming an obvious failure of this government. I refer to its failure to tell the Canadian people what it is doing and what policies it is following, if indeed it knows itself. Efforts to use the question period have failed to obtain information on the government's policies on many matters, most particularly the government's policy on foreign affairs, whether it be NATO, Czechoslovakia or Biafra. The Prime Minister (Mr. Trudeau) and the Secretary of State for External Affairs (Mr. Sharp) have managed to bluff their way through the question period whenever these matters have been raised. They have brought down on their heads a good deal of criticism for failure to outline what lies behind the day to day decisions which the government is making. Nowhere is this lack of policy more evident than in the matter of a clear science policy for this country.

Last year the government withdrew financial support for HARP. Within recent weeks there has been the cancellation of the Queen Elizabeth observatory project on which four and a half million dollars had been spent. Over the weekend, and not in this house but by way of a press release, the government announced the ending of the intense neutron generator project which had been undertaken and was in an experimental stage for some time. We have not heard exactly how much money has been spent in the initial stages but we know it has been substantial. Now, Mr. Speaker, when mistakes are made or when projects are found to be unnecessary it is easy to understand that they should be abandoned. But in this particular instance we have not had any indication of what lies behind the decision to withdraw from the intense neutron generator project. It is very easy for us to say that the reason was financial, and this is the only one which the government has put forward, but this decision has caused uncertainty, confusion and a climate of pessimism in the scientific community of Canada.

• (5:50 p.m.)

The decisions in all these cases I have mentioned were made without any explanation except that other matters have a higher priority. Furthermore, these decisions were announced without any attempt to relate them to an over-all science policy for Canada. There was no effort whatever to reassure the country that the government does have a science policy or that its decisions on where to spend or where not to spend the money are made with the best scientific advice available. We have it on the word of the Minister of Energy, Mines and Resources (Mr. Greene) that the decision to abandon the ING project was made because of its relationship on the priority scale to the very many other demands on the national treasury, and the necessity the government faced to curtail expenditures." This does not say anything. It is about time the house and the country were told frankly by the government what these so-called priorities are. If we are to have cancellations on the basis of some scale of priorities, let us know what these higher priorities are so that the house and the country shall be in a position to judge the effectiveness of the government's decisions and the validity of the government's judgment.

In addition, the minister must make a statement immediately to reassure Canadians generally, and the scientific community in particular, that the Science Council of Canada and the science secretariat have not been shunted into a back seat in their relationship to the apparatus of government. The minister will have seen the comment of a senior research scientist on the decision to cancel ING. Here again, I quote:

> Regardless of all this new policy-making machinery, it seems to be clear that decisions are being made by the Treasury Board as they always were.

The house and the country must have a statement immediately on the future of Atomic Energy of Canada Limited. There is a feeling that the decision to cancel ING marks the end of our lead in pure research in the atomic energy field. There is the feeling among scientists, particularly in Atomic Energy of Canada Limited, that this project was one of those things which would maintain our impetus in the world of science and which would keep Atomic Energy of Canada Limited going forward.

There is the feeling that cancellation of this project has marked the beginning of the end for the effective work that Atomic Energy of Canada Limited has been doing for so many years. There is this feeling, and I think the minister ought to immediately take the opportunity of assuring us and them that the government has other projects of a higher priority within the scientific field to take their place.

The decision to cancel the ING project seems to have been irrevocable. It is a decision requiring Atomic Energy of Canada Limited to discontinue its work on this project. The government should let the house and the country know what its policy is with regard to the satellite communications system. The caucus committee on energy, mines and resources of the Progressive Conservative party made a trip to Chalk River in March just before the house adjourned. The members of that committee went there to have a look at this ING project to see what its possibilities were, to find out as laymen at least what benefit it would be to the country and what the alternatives were.

We understood there were several projects in the wind and that the government intended shortly to make a decision with regard to the priorities involved. We also understood that the satellite communications program might take a priority over this ING project, but that it would not be abandoned.

We have heard nothing from the minister today or over the week end concerning the future of the other project. Is the government going ahead with the satellite communications program which seemed to be an alternative to Atomic Energy's ING project? I cannot emphasize too strongly the gravity of the situation. The feeling must not be allowed to catch on that the government regards scientific projects as scapegoats for overspending in other areas. To date, we have seen nothing but a negative attitude. We have the cancellation of programs already begun and no indication of what new projects are to be started.

I believe that the government is taking too lightly the corrosive effect of the decision on the scientific and university community, because there is this feeling—and once it starts to develop it will be difficult to stop—that the country is no longer interested in maintaining the advances it has held in the scientific field since the end of the second war.

Above all, the government must act at once with a clear statement of policy that will reassure the scientific community, the universities and industry, that scientific progress does indeed have the priority it deserves in the policy planning of the government. Surely, the minister and the government do not need to be convinced of the importance of such a statement.

I should like to refer the minister to the fifth annual review of the Economic Council of Canada under the title "Strengthening the Country's Indigenous Effort":

> Canada cannot rely entirely on imported technology; there must be a strengthening of the country's own capabilities. Without a strong and indigenous effort, a country cannot attract and hold the scientific and technical manpower which permits it to adapt and exploit technologies originating abroad, or which it needs to train its future supply of scientists and engineers.

Again, I quote:

> Canada must maintain a high potential for technological change by ensuring that there is an adequate supply of scientific and technical manpower to serve as a basic source of invention and innovation.

What all this means is that if the government and the parliament of Canada appear to be taking an indifferent attitude toward science, scientific research and progress in this country, we will lose our scientists and research will be retarded. We will jeopardize any hope for the development of a true Canadian technology.

Mr. Speaker, I see it is six o'clock. May I call it six o'clock.

Mr. Speaker: It being six o'clock, I will now leave the chair until eight o'clock this evening.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Aiken: Mr. Speaker, at six o'clock I was berating the government for the secrecy

with which it has shrouded many of its decisions, particularly the decisions in connection with the scientific policies which the government intends to adopt. The government must outline, not only to parliament but to the people and the scientific community of Canada, the direction it is going to take in the matter of scientific development. This is one area in which the government's inclination toward secrecy, its tendency to withhold information and its aversion to explaining anything to anybody will have terrible results for Canada.

Scientists, I think are no less realistic in this matter than anybody else. I am sure they are prepared to accept the fact that there is a limitation on the amount of money that a government can spend in any particular field, be it the scientific field or any other. They are prepared and must be prepared to accept the need for priorities, priorities in public spending and priorities in scientific development.

The scientists will understand and accept, as we will, Mr. Speaker, reasonable explanations of reasonable positions in these matters. But I believe that we have the right to insist that the government make such explanations. The scientific community wants to know, and parliament and the country are entitled to know, on what basis the recent decision to abandon support for three particular scientific projects was made. We think that the government should lay on the table the scientific reports on which its decisions were based, and it should relate in some detail reasons for its policy in each of these three matters.

As far as I know, Mr. Speaker, no one in the scientific community has ever said that the ING project was a bad one. In fact, there is unanimous agreement that it has great possibilities for Canada in the field of nuclear energy. The objections that have come from the scientific community have arisen from the knowledge that there is a limit to what the government can spend, and that the government does intend to cut back on its spending for scientific projects.

Therefore, Mr. Speaker, the question was one of priorities. There are dozens of excellent development projects on the drawing board vying for government support. Consequently, it was a very delicate operation to settle the priorities that the government intended to adopt and to maintain the balance of scientific progress. This operation called for a detailed and clear explanation of the factors involved in making the decision to drop the ING project, of the factors that might lead the government to adopt some other project and to proceed in some other field. The community should have been given some idea where the government was going.

As I say, Mr. Speaker, this was a delicate operation that should have been carefully explained by the government so that the whole scientific community would have had some indication that the government really did intend to proceed with scientific projects, perhaps in another field. The government's secret decision to drop this whole ING project was like dropping a rock into a basket of eggs. The attitude of the government was a negative one which demolished the project. I fear that unless the government makes some explanation very soon damage will have been done to our country.

Two or three ministers seem to have been involved in this matter, Mr. Speaker. The Minister of Energy, Mines and Resources (Mr. Greene) made the announcement because of his responsibility for atomic energy. But there are one or two other ministers who have some general responsibility for scientific matters, and it was for this reason that questions this morning were directed to the Prime Minister (Mr. Trudeau). Unfortunately, these questions brought forth no response and we are left without any knowledge of where the government intends to go.

In conclusion, Mr. Speaker, I say that the government must not let another day go by without a full statement on its policy and intentions in the scientific field. The dark cloud that now hovers over scientific effort in Canada must be removed, and there must be a clear statement of our goals in this field. I urge the government to make a statement so that the house will know, first, why ING was dropped; second, what is intended to take its place; and third, into what other field of scientific endeavour the government intends to move. Finally, I ask the government to give some assurance that it will begin to explain what it is doing to the people of Canada.

Mr. John Burton (Regina East): Mr. Speaker, on rising for the first time to take part in debate in this chamber, I am happy to join with other hon. members in extending congratulations to yourself, sir, on your re-election as Speaker. I also extend congratulations to the Deputy Speaker and to the mover (Mr. Corbin) and seconder (Mr. Marchand) of the address in reply. As the hon. member for Parry Sound-Muskoka (Mr. Aiken) resumes his seat I want to compliment him on his

speech, which I thought made a great deal of sense.

• (8:10 p.m.)

My election in the newly formed constituency of Regina East came after a hard fought campaign in which real issues were discussed—at least, they were discussed in the local campaign. My campaign was based largely on the New Democratic party policies with respect to medicare, Saskatchewan style; adequate housing; reasonable interest rates; the cost of living and the need for a prices review board; and a sound agricultural program. These are the things for which I intend to fight. Some of my colleagues have already discussed some of these subjects and I support their stand.

While I am still close to the subject of elections, I should like to urge the government to reconsider its position, as stated by the government house leader the other day, and suggest that consideration be given to up dating and improving the elections act at the earliest possible opportunity. Changes are required in the elections act and in order to produce the best possible changes, time will be required. Members now have before them the report of the representation commissioner in respect of a permanent voter's list and absentee voting. Members should be given the opportunity of studying in committee the recommendations of the commissioner, with the hope that such scrutiny will bring forward a plan that can form the basis for an improved act.

From my own experience in a number of campaigns, I feel that the elections act as it presently stands has not kept pace with the needs of the times and with the changing society in which we live. There are a considerable number of small and technical improvements that might be considered. I should like to draw to the attention of members three major areas in which I feel improvements are essential. First, there is the need for improved enumeration of voters. The present system is simply not good enough. Thousands of people have their names left off the list because of the present outdated enumeration machinery. In urban areas the usual result is that people left off the preliminary list are disenfranchised on election day. Second, there is the need to provide each voter with the greatest possible opportunity of exercising his franchise on or near election day. We live in a highly mobile society and the present election machinery simply has not been able to keep in step with the situations confronting people at election time. I have come in contact with many cases in which people have been disenfranchised through circumstances completely beyond their control.

Third, there is the need for greater uniformity between federal and provincial election acts. A great deal of confusion is caused by differences between the provincial and federal election acts in Saskatchewan and, I am sure, all across Canada. While it will not be possible to achieve complete uniformity, I think steps could be taken to avoid some of the needless confusion which occurs at present as a result of mechanical differences in the operation of provincial and federal election acts, as well as differences in poll boundaries.

Regina East is now a constituency of over 90,000 people. It comprises all of the city of Regina east of Albert street, extends east of Regina for some 50 miles to the vicinity of Fort Qu'Appelle and north for well over 100 miles to the vicinity of Wynyard and the Quill Lakes. Over 70 per cent of the people in the riding live in the city of Regina.

Regina, for a considerable number of years, has been one of the fastest growing cities of Canada. It now has a population of near 140,000 and it is certainly destined to continue as one of the major cities of Canada. Its distinctive characteristics and history make it one of Canada's great cities. A great deal of the rural area of the constituency is a mixed farming region. While there are some areas where the growing of wheat predominates, through much of the constituency mixed farming involving joint grain and livestock operations prevails. Near the city of Regina there, of course, is considerable concentration on dairy production. The historic Qu'Appelle river valley also runs through the rural area of the constituency and provides a considerable potential for irrigation, recreation and other development.

The east half of the city of Regina, which is in my constituency, is populated by people with a wide range of ethnic backgrounds. People from almost every European ethnic group, as well as some people with an Asian ethnic background, are living in this part of Regina. Many of these groups have made a significant and distinct contribution to the cultural and social life of Regina. Many people have moved into Regina from the surrounding rural areas. Similarly, the people in

the rural area of Regina East are capable, industrious and diverse in their backgrounds.

It is a great honour for me to have the privilege of having in my constituency eight Indian reserves with a resident population of some 3,000 people. In addition, there are also several Métis communities and there are a significant number of Indian and Métis people living in the city of Regina.

At this time, Mr. Speaker, I should like to say a few words with respect to the problems faced by Indian and Métis people and our responsibilities as legislators in dealing with these problems. I have had a good deal of contact with some of these problems over the past few years and it is my conviction that we need to approach them with a sense of urgency and a sensitivity for their basic nature.

I have visited a great many of the homes on the Indian reserves in my constituency and, as many other members have also experienced, have been appalled by some of the living conditions encountered. I have also been disturbed on many occasions by the attitude and response of people in the rest of the community. References have often been made, Mr. Speaker, to the need for greater education of Indian and Métis people. I think we also need to be reminded of the very great need for educating the non-Indian community to the nature of the situation.

I have seen many examples of Indian and Métis people who have made an outstanding success of their lives, by any standard. On the other hand, I have also seen many cases where these people have experienced a great deal of difficulty in coping with present day problems under the circumstances which have prevailed.

Many of the people in the Indian and Métis communities in the rural areas of Saskatchewan have joined the rural-urban trek and have taken up residence in the city of Regina or other large urban centres in our province. Some of these people have coped quite successfully with the transition from rural to urban living. Others, however, have faced very serious problems. They have come into a city such as Regina with very little resources, limited education and have had to face a community attitude which still results in many subtle forms of discrimination in spite of progress made in legal safeguards of rights. Consequently, many of these people have been shunted from pillar to post and have found a great deal of difficulty in achieving any sort of a stable life in an urban setting. A potential problem exists in that these people will naturally tend to look to each other for companionship and security in the face of community attitudes. They will tend to congregate together in the same houses and apartment blocks. This, Mr. Speaker, I am sure will be recognized as the beginning of a ghetto. This is the type of thing we must avoid if we are to prevent some of the problems which have been faced in other places.

It is good to know that the present Indian Act is under review and I hope that some useful results will be achieved from this review. However, I hope that what is achieved is something more than just an ironing out of some of the present administrative red tape or the removing of some of the legal disabilities under which Indian people presently live or the making of some improvements in social and economic opportunities. I say this, Mr. Speaker, because I feel that what is needed is a fundamentally new approach to this problem. All of us in Canada have to face up to the responsibility that Indian people are a group of people who were essentially dispossessed of the land they once knew as their own. They have been regarded as second class citizens in our society for many years.

If we are to achieve any sort of fundamental change in the situation, we must clearly establish some of the principles that will apply to future policies.

First, it must be recognized that Indian people have the right of self-determination. The implications of this principle are that not only does it give Indian people the full right of integration into the community and society as we know it, but also that it gives them the right to live their own existence as they wish to live it. The right to make their own decisions must be recognized. Second, we must recognize commitments made by Canada as a nation to Indian people. This involves full recognition of commitments regarding land, health, and other services. These rights need to be honoured as long as the Indian people collectively and individually wish to retain them. Third, we need to get away from the centralized control and administration which has for too long featured our Indian affairs programs. Many hon. members will be aware of some of the incredible stories involved in the centralized control and bureaucracy which Indian people encounter at every turn and in almost every day of their life. It is

certainly no wonder that the ambition and incentive of some Indian people to progress with the times has all too often been stifled by the smothering paternalism of Indian affairs administration over the years. I fully recognize, Mr. Speaker, that there are dedicated people in the Indian affairs branch who are working hard to do a job as best they can, and I also recognize that the branch has in theory produced many plans which were very laudable and commendable in their concepts and objectives. However, it seems that many of these plans and ideas have been stifled in implementation.

• (8:20 p.m.)

Transportation problems and policies have been a matter of concern for legislators and governments throughout Canada's history. The people of Regina East are concerned as well with many aspects of transportation policy. A major concern of my constituents and of all Canadians must be to keep abreast of changing and advancing transportation technology. New developments are taking place in transportation technology today which have the potential of outdating accepted forms of transportation within a very short period of time. One of the most exciting prospects at the present time from a long run point of view is the possibility of new developments in pipe line transport.

At the same time, comparative costs, total cost factors and investment in transportation facilities are also critical. The lack of planning in the development of transportation facilities in Canada in the past has imposed a severe burden upon our economy. Surely, we can now learn from the lessons of the past and decide that transportation is to be dealt with in a sensible and planned fashion. This must involve the co-ordination and integration of all means of transport and decisions must be made with respect to the most economic means of transport in both specific and total situations.

One example where planning is needed at the present time is with respect to the transport of potash to markets, as was brought out in this debate by my colleague, the hon. member for Yorkton-Melville (Mr. Nystrom). Over the past several years rail facilities have been developed to handle the transport of potash from Saskatchewan mines to the west coast for trans-shipment and also transport to United States markets. This has involved a large investment in facilities by the railways and in addition it has meant a considerable investment in both financial and human terms by the people involved in the movement of potash. Specifically, I refer to railway employees at a point like Melville where I lived for several years. Railway employees there, on the basis of the facilities developed, have invested in homes and sunk their family roots in this community. It would appear that the railways are now attempting to exploit their monopoly situation and exact the greatest possible revenue from the movement of potash. On the other hand, it could be that the potash companies might attempt to play two forms of transport off against each other. While there are some people who feel this is the way the economy should be operated, there are many others who feel this is a senseless and wasteful way in which to deal with our economic problems.

Both federal and provincial governments are going to be involved in this situation sooner or later. I would urge the Minister of Transport (Mr. Hellyer) to acquaint himself with this situation and to take action to ensure that the policy being followed by the railways is in the public interest. On the other hand, I think that the provincial government in Saskatchewan will have to take a close look at the question of truck transport, since the provision of roads and some part of road transport falls under their jurisdiction. This situation is a test which could indicate whether the government really intends to take a new approach in dealing with economic problems.

The city of Regina also has some transportation problems which I would like to draw to the attention of the Minister of Transport. Air travel connections from Regina to eastern Canada leave a great deal to be desired. Some trips to eastern Canadian points involve a travel time of nine to ten hours of which only some four hours are spent in the air. I would like to urge the Minister of Transport to take action to ensure that Air Canada provides direct flights between Regina and an eastern Canadian point and if possible link such a flight with a direct flight to Canada's west coast.

The main line of the C.P.R. passes through the city of Regina. However, it is a matter of regret that the only passenger service made available to the people of Regina by the C.P.R. involves train stops in the early morning hours. Several years ago, strong representations were made by many people in Regina, including myself, to the Board of Transport Commissioners to ensure that there was a

daylight passenger train service on the C.P.R. main line. However, the C.P.R. point of view prevailed and the existing daylight passenger service was cancelled. As far as I am concerned, Mr. Speaker, I have almost given up hope of any improvement by the C.P.R. in dealing with people and passenger traffic as long as this huge corporation is in the hands of owners who place the profit motive above all other considerations. Fortunately for Regina, the C.N.R. does have a railiner connection with Saskatoon where passengers may transfer to the C.N.R. main line. This, however, involves considerable extra travel to and from eastern points. I would urge the C.N.R. to overcome this problem by giving consideration to the establishment of a railiner service to Melville on the C.N.R. main line and other eastern Saskatchewan points. In addition to serving local traffic needs, such a service could be tied in with the transcontinental passenger train service. It should be possible to provide a sleeping car service originating at Melville which would enable passengers from Regina and eastern Saskatchewan points to entrain at Melville with comfort and convenience.

The absence of a C.B.C. television station in Saskatchewan is regretted by many people in our province. Saskatchewan people see only those programs which can be arranged through affiliated stations. I believe Saskatchewan is the only province without a CBC-TV outlet. A comparison of programs shows that Saskatchewan people cannot see many programs viewed in other parts of Canada. In spite of this, C.B.C. programming is rated very high among many Saskatchewan people. The C.B.C. is now preparing to instal television facilities in some remote areas of Canada. To this I have no objection. All I ask is that Saskatchewan have one C.B.C. station.

There are, of course, some items in the Speech from the Throne which I welcome. The long awaited federal co-operatives act will be welcomed by most people in Regina East. This act, which has been just around the corner for so many years, will enable co-operatives to play a more adequate role in the national economy. I trust that the promise of such legislation in this session will not meet the same fate as similar promises for such an act on numerous occasions in the past.

Similarly, I welcome the proposal to increase the cash advances available to grain farmers. The amendments proposed to the Farm Improvement Loans Act and the Farm Credit Act will at least make this legislation operative again after the Liberal government allowed it to fall into disuse earlier this year. Judging from the wording of the resolutions now on the order paper, I may, however, have some reservations about the specific terms of the amendments.

Other than the cash advance proposal there was nothing in the Speech from the Throne to indicate that the government intended to act with respect to the serious problems facing the wheat economy. This is very disappointing to those people affected.

The executive of the Saskatchewan New Democratic party wired the Prime Minister urging that the agriculture committee of the House of Commons hold hearings on the prairies immediately in order to obtain a full picture of the present situation. The executive also urged the formation of a special sales commission with wheat board officials plus farm representatives to promote sales. I certainly commend this proposal for consideration and would urge that it be followed by action very soon.

Furthermore, it is to be regretted that the Speech from the Throne suggested no approach to the broader and long run problems facing people engaged in agriculture. It was my concern in this regard which prompted me to inquire a few days ago about the report of the special task force on agricultural policy. Certainly, it is to be hoped that the task force will set out adequate guide lines and that the government will act on its recommendations promptly. True, the Prime Minister made some reference to agriculture in his address which at least recognized the seriousness of problems facing prairie agriculture. However, if the only proposal the Prime Minister can make to deal with longer range problems is the national grains council, with all the questions this raises, then I am afraid we are not making much progress.

• (8:30 p.m.)

My colleague, the hon. member for Saskatoon-Biggar (Mr. Gleave), has already outlined the situation facing farmers in western Canada much better than I can, and I join with him in his plea for sound agricultural policies. In my view, several factors demand the urgent attention of the federal government.

First, there is the difficult marketing situation, especially with respect to export markets. These problems demand government

action to ensure stability, especially price stability. For wheat, in particular, adequate government price guarantees are required. Only in this way can those agencies responsible have adequate power to deal with those factors in the world market situation beyond Canada's immediate control.

Second, there is the lack of bargaining power possessed by agriculture. In an economy where power in most sectors is controlled on a block or corporate basis, the farmer is in a hopeless position when he has to continue operation as a small entrepreneur in the classical market situation. The cost-price squeeze is a reality for the farmer.

Third, there is the technological revolution. New technology and developments have profoundly affected agriculture. Science has literally made possible two or more blades of grass where only one grew before. At the same time, new machinery and techniques now enable one man to do what it once took many to do. These changes have already drastically altered the organization of agriculture and have resulted in an upheaval for many people. Still more changes appear to be in the offing. At the same time, the demands for skills required in agriculture are increasing, making adequate education as much of a must for the farmer of the future as for anybody else.

Fourth, there is lagging productivity. The economic council underlined the fact that Canada is not keeping pace in agricultural productivity compared with other countries, largely due to deficiencies in research programs. In addition, I must note that the absence of programs and the misdirection of programs have prevented farmers from obtaining the tools necessary to increase productivity.

The government's reference in the Speech from the Throne to clearing up the backlog of legislation is welcome. Many of these items have long been awaited. No one will quarrel with the particular value of many of the items. But the fact that reference had to be made to these items is surely a severe slap to the previous Liberal government. While the importance of much of this legislation is not questioned, the logic in giving it top billing is curious in view of the references to new priorities. It is like saying that we'll sweep the house before starting the renovations.

Much has been said in this debate about disappointment in the Speech from the Throne, disappointment in the Prime Minister's (Mr. Trudeau) elaboration, and indeed in recent days disappointment about the lack of vitality in this debate. It is disappointing that to date only three ministers, other than the Prime Minister, have participated in this debate.

All of this is a direct consequence of a basic mistake by the government. The government, as it has stated, raised the expectations of Canadian people. But then, as was evident in the Speech from the Throne and in statements by the Prime Minister in recent weeks, the government lost its cool. It realized that it did not have the plans and programs necessary to make these expectations a reality. Thus, it had to undertake a crash effort to produce acceptable programs. But somehow it had to fill the gap. What better solution than to occupy parliament with unfinished business? This may be smart tactics but it is not good government.

I say this for two reasons. The first is that the type of programs required today need time for implementation. If they are not given first priority now, they will not be developed in time to do the job. The people of Canada will judge the government harshly on this score.

The second reason is that by choosing this course of action the government has irretrievably lost much of the momentum generated in Canadian affairs by the raising of expectations. This has happened because when the moment of truth came the government chose the old, traditional style of politics rather than the new politics of action and dynamic leadership.

We are living in a dynamic society and age. The pace of change and the demand for change accelerate. New knowledge, and new awareness that is universal in its impact, act as a catalyst. People want changes now. They are not prepared to tolerate unsatisfactory situations as was once the case. They know, as a result of new knowledge and awareness, that they do not have to put up with unsatisfactory conditions. The growth in communications is bringing the world closer together. Injustice near at hand is not tolerated in the same way as injustice far away. All the world is now near at hand.

New technology and new knowledge can quickly make a shambles of existing institutions and of the existing economic and social order. People have now experienced the benefits of technology. At the same time, the unrest and disquiet in the world are obvious. People are questioning values. Many, especially the young, see through the shallowness

and hypocrisy of what they see about them. They are searching for values that will give some meaning to the material side of life. They are looking for quality in life.

Governments, churches, all institutions, must take full cognizance of what is happening. This means not only recognizing the existence of these forces but also acting positively to deal with them. I am certain that the government and its advisers are fully aware of the forces present in society today, but it is clear that this recognition has not been translated into programs and action.

As I stated previously, injustice will no longer be tolerated. Inequalities in society represent a large segment of what might be termed injustice. Inequality in Canada will not be eliminated just by tinkering with the existing order. Surely, the economic council finding that regional disparity has not lessened over decades in spite of significant public efforts demonstrates this fact.

The elimination of inequality in Canada will require a major overhaul of the Canadian economy. The task involved is compounded by the impact of technological change. The degree of economic control now in the hands of the corporate sector, both domestic and foreign, contains the germ of much of our present inequality. The task is unfinished until the economic power held in this private sector is wrested away and restructured to enable people not only to enjoy the good life but also to participate fully in deciding on the good life. The accomplishment of this task involves a host of actions including overhaul of the tax system, action to ensure economic independence, reorganization of many aspects of the economy, adequate housing and a well thought out regional development program. It is because the government's approach is tinkering and timid rather than profound and courageous that I cannot support the motion before the house.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, as one of the many new members of the House of Commons in this first session of the twenty eighth parliament I am very pleased to have the opportunity of taking part in this debate.

I, too, would like to congratulate you on your election to the office of Speaker of the House of Commons. I am sure that the many favourable comments that were made at the time of your election on September 12 were well deserved, and I look forward to working under your direction for what I hope will be a long time to come. I promise that you will have my complete co-operation in complying with the rules of the house. I also wish to extend the same sentiments to the Deputy Speaker.

Permit me also to compliment the hon. member for Madawaska-Victoria (Mr. Corbin) and the hon. member for Kamloops-Cariboo (Mr. Marchand), on their excellent presentations in moving and seconding the address in reply to the Speech from the Throne.

My constituency of Assiniboia is the centre one of the three southern ridings in Saskatchewan. It is 200 miles long and up to 90 miles wide, being one of the largest constituencies in the settled parts of Canada. It is mainly an agricultural area, producing some of the highest quality wheat in the west. We also produce other grains, oil seeds, cattle, hogs, and many other farm products, but on the whole our average rainfall is such that wheat is our best crop.

In the Assiniboia constituency we have some very important oil fields, some sodium sulphate mines, and some small but thriving manufacturing plants. We have a population of about 70,000 people of divers backgrounds, including several communities that are predominantly French speaking. I am indeed grateful for the honour of representing such fine people and such a great area here in the House of Commons. I am also proud to share with the hon. member for Saskatoon-Humboldt (Mr. Lang) the honour of representing the province of Saskatchewan on the government side of the house.

• (8:40 p.m.)

I believe that this is the first time since 1930 that the Assiniboia constituency, which now includes the former Weyburn constituency, has sent a representative to sit on the Speaker's right. This is a tremendous responsibility, especially in view of the fact that I am one of the few members of this house who is a practicing, active farmer, and one of the even smaller number of such on this side. I serve notice here and now that I intend to bring the problems and needs of my constituents and my part of Canada to the attention of this house, and to the attention of the government, at every opportunity.

I was born and have lived practically all my life in the Assiniboia constituency. I have been farming on my own for 38 years and I think I know the viewpoint of the residents of my area. I have seen bad times and good times. The worst times were back in the dirty

thirties, and the best times were probably during the four years from 1963-64 to 1966-67. In those four years the value of wheat exports averaged well over $1 billion a year. We farmers were shocked at the drastic reduction in markets and sales in the 1967-68 crop year when the value of our wheat exports dropped less than $700 million, and the same experts who predicted an almost unlimited demand for wheat a few years ago are now far from optimistic about the market outlook.

The farmers of this country, and especially the wheat producers, are worried about the future and with good reason. For several years we were told by agricultural authorities, both Canadian and international, that there would be such a big demand for wheat that it was doubtful if we could produce enough to meet requirements. On the strength of this forecast many farmers borrowed money to expand their operations and produce more efficiently. We bought larger machinery and made heavy investments in fertilizer, expensive farm chemicals, and the equipment to apply them.

As a result our yields and our total production have risen tremendously. Let me illustrate by saying that 1967 was a very dry year. It was even dryer in Saskatchewan than it was in 1937. The average wheat yield in 1937 was between two and three bushels per acre in Saskatchewan, whereas in 1967 it was well over 15 bushels per acre. This dramatic increase was mostly due to improved efficiency and better farming methods, which included many expensive items such as fertilizer and weed chemicals. Better machinery has been an important factor in rising yields and production, but machinery costs are high and represent a heavy annual charge against our cash income.

The point is that western farmers, or a large majority of them, have geared their operations and their financial commitments to an expanding market for farm products. We are told that the recent downturn in effective demand for wheat and other grains is of a temporary nature, but many of us are not so sure that we can depend on this. It is somewhat reassuring, however, to hear that the wheat board is redoubling its efforts to sell wheat, and apparently with some results. In the first five weeks of this crop year our wheat exports were 32.6 million bushels, which is up substantially from the 27.5 million bushels exported in the same five weeks one year ago.

[Mr. Douglas.]

It is in the interest of all Canada, and all Canadians, that the agricultural industry be maintained in a healthy and thriving condition. It is one of the most important segments of the national economy and has usually made an enormous contribution to our export trade and toward keeping a balance between exports and imports. A depression in agriculture would be magnified many times throughout the economy, and would set off a serious recession, the effects of which would be felt in every part of the country.

I should like now to outline some of the steps I think are required to restore the confidence of our farmers and to avert the dire effects of a lagging farm economy. First and foremost, an expansion of our markets is required. The wheat board and the government must be very aggressive in searching out, developing, and maintaining reliable outlets for our products. The United States has shown us the value of aggressive salesmanship in the past year or two. It is imperative that we do the best possible job of advertising and selling our produce. Unusually high world wheat production during the past two years has made it necessary to adopt new sales methods and I feel confident this can and will be done. Grain prices have gone down somewhat in the past year. The best hope we have for improved prices is to increase the effective demand. In recent years we have learned that when the demand for our grain equals or exceeds our supply, the prices will improve. So, developing markets will have the twofold benefit of allowing us to sell more bushels, and at better prices.

I note references in the Speech from the Throne to a federal co-operatives act and to an export development act. I trust that both of these measures will contribute to more effective marketing of wheat and other farm products. I was also happy to hear the Prime Minister (Mr. Trudeau) say that the government and the wheat board are determined to sell at least 1.3 billion bushels of wheat in the next three years. Farmers will not be satisfied with anything less. Of interest too were the Prime Minister's remarks about a high level of wheat and flour content in our international development program. I am sure that Canadians are fully in favour of a maximum effort to ship our surplus food to the unfortunate peoples of the world, who need it, but do not have the funds to buy it. It seems to me that this is one of the better ways in which Canada can serve the interests of peace and world brotherhood.

Another urgent need in agriculture is more and better research. We need more research in many fields in respect of such things as higher yielding crop varieties, better livestock, better handling, storage and marketing methods, and greater knowledge of consumer requirements. There are tremendous possibilities in all these areas and it is urgent that they be fully explored.

Credit facilities for agriculture need attention. I welcome the references in the Speech from the Throne to a new Farm Improvement Loans Act as well as amendments to the Farm Credit Act and the Farm Machinery Syndicates Credit Act. The previous Farm Improvement Loans Act expired last June, but few loans were made under that act in the latter months it was in force. As most hon. members will know, the interest rate was fixed at 5 per cent, and the rising interest rates of the last year or so made that rate so unattractive to the lending institutions that they had practically stopped making loans under the act. In spite of the fact that interest rates have dropped, the 5 per cent rate is still not a realistic one.

I agree with the proposition that the cabinet should be given the power to set a rate which may be varied from time to time as changing interest rates may dictate. I suggest that the rate set can and should be considerably less than bank loan rates, because of the additional protection the lenders will get as a result of the government guarantee. I was pleased to see that the new act will allow credit unions and many other institutions to be authorized lenders under the act, in addition to the banks. Many communities in Saskatchewan are served by credit unions only. The town of Assiniboia has one of the largest rural credit unions in the world.

With regard to the Farm Credit Act, I am glad to hear that it is planned to increase the capital of the Farm Credit Corporation and to broaden its use. I am somewhat disturbed, however, by the announced intention of applying what can be termed a "floating interest rate" to these loans. This is quite a different situation from the Farm Improvement Loans Act.

I believe that the Farm Credit Corporation was set up to provide an opportunity for farmers to attain economic units, and it is restricted to those who actually need the help and can qualify. Once a farmer has reached a certain size of operation he can no longer qualify for a loan. Those who do qualify at present do not necessarily get the full loan required at 5 per cent. In many cases the first $20,000 required and approved is at 5 per cent, and the balance will be at very close to commercial rates. I hope the interest rates under this act will remain undisturbed to encourage the creation of economic farm units, and to encourage young men to stay in farming by making it a little less difficult for them to get started. The act has been very successful in doing this in the past, and I would not want to see anything done to reduce its effectiveness.

• (8:50 p.m.)

I will include the subject of cash advances in the category of farm credit. In the light of the lower delivery opportunities in the last year, farmers are more short of cash than usual at this time of year. I am quite sure that more use than ever before will be made this fall of the Prairie Grain Advance Payments Act. The Speech from the Throne indicated that there would be amendments to that act. Farmers will welcome the announcement that the proposed amendments will double the rates and the limits of interest free cash advances on farm stored grain.

I wish to point out, however, that these cash advances will not help those farmers who have no grain to sell. There are areas in the Assiniboia constituency, and in other parts of the prairies, where the crop was poor last year and there has been no carryover from the 1967 crop. Many of these areas have been hit hard by a variety of natural calamities this year including drought, hail, frost and, more recently, excessive rainfall that is playing havoc with the harvest, which in some cases might otherwise not have been too bad. I urge this government and the provincial governments to watch these disaster and potential disaster areas, and to be prepared to render whatever special assistance may be required.

Another step that I think is needed to stabilize the farm industry is an improved system of all risk crop insurance, which would be available to farmers at rates that would make it possible for all to participate. The federal and provincial governments have recognized the benefits of a crop insurance program and I believe it is operating in most provinces. The federal and provincial governments' share the operating costs, and the federal government contributes 25 per cent of the premium. The cost to the farmer is still so high that only a fraction of those eligible for insurance actually participate in the plans.

I think it will be necessary for governments to increase their rate of support for crop insurance so that these plans will be universally accepted. If that happens, farmers will be more adequately protected against the many hazards we face every year, and which have been especially prevalent this season. The benefits of such a widespread crop insurance program would be great indeed, and I am convinced that its sustaining and steadying influence on the national economy, would far more than compensate for the cost. There are various proposals for bringing about these changes in the application of crop insurance, but I will not attempt to go into them at this time.

The Speech from the Throne referred to a national grains council. I believe this is a most welcome proposal. At the present time we have many different organizations purporting to speak for the farmers. For example, I am a member of the Saskatchewan Wheat Pool and also the Saskatchewan Farmers Union. Both these organizations make statements from time to time, and sometimes they disagree. I hope a national grains council will have representation from producers, farm organizations and all interests involved in the production, handling and marketing of our grain. Such a council should be able to arrive at solutions for the very serious problems facing farmers at this time, solutions that would find ready acceptance by the federal government because they would represent the combined thinking of all groups concerned.

I hope the national grains council, or the government, will examine the merits of what has come to be known as the two-price system for wheat. This system would raise the price of wheat used for domestic consumption by perhaps $1 a bushel above the export price which is chronically depressed by world trading conditions. This domestic price increase would be financed, not by government subsidy, but by increasing the price of bread by approximately two cents a loaf. The price of bread has gone up a great deal in the past 20 years, but the value of its wheat content has changed very little. It seems to me it is only fair that farmers should receive an increase in respect of the basic ingredient of bakery products, when all others concerned in the business have received more for their efforts. The price of everything used by farmers in the production of grain has risen by leaps and bounds, and there should be some way to relate the price of wheat used in Canada to the general price levels of other goods and services. I am told that Canada is the only major wheat producing country which does not give its farmers the advantage of a better price for wheat used at home. I urge early action to investigate these proposals. I know there are difficulties involved, but I am sure they are not insurmountable.

I said earlier, Mr. Speaker, that I intended to bring the needs of my area to the attention of the house. I hope I have made a start on that project in the past few minutes. I want to say also that I am interested in the problems of every part of Canada, and I have listened with interest to the speeches of others participating in this debate. However, like many other members, I am dubious about the wisdom of using so much valuable time in discussing the Speech from the Throne, when there is urgent legislation waiting to be considered. I believe that Canadian people are watching very critically to see if this new parliament can change its old fashioned ways and become an efficient and dignified institution which can deal effectively and quickly with the nation's business.

The Speech from the Throne forecast reforms in parliamentary procedure. It is quite apparent to most Canadians that very drastic reforms are required. I hope that we will get on with this job as quickly as possible. Undue delay will not be tolerated by our constituents, who must have their confidence in our parliamentary institutions restored. I will do everything in my power to help bring our procedures up-to-date.

There is another subject on which I would like to comment briefly, Mr. Speaker. It is the subject of labour-management disputes. Several disputes in recent months have been of great concern to western Canada. It was reassuring to hear from the Minister of Labour (Mr. Mackasey) that the strike of the lakehead grain handlers has not, in his opinion, caused any loss of grain sales or markets. Might I add that his efforts and the efforts of his department, which finally resulted in a settlement of that strike, are very much appreciated by most western people, even though we farmers know we will eventually have to pay the shot.

It does seem to me, however, that strikes such as the ones we have endured this summer should not be such a constant threat. Surely, in this day and age some method can be found to settle labour-management disputes before they reach the strike or lock-out stage. Reference was made by the Minister of

Labour to the desirability of improving communication and co-operation so as to facilitate the peaceful settlement of these matters. In this regard I anticipate concrete action during this session.

In conclusion, Mr. Speaker, I want to express my general satisfaction with the Speech from the Throne. I look forward to the early implementation of the many progressive programs it forecasts, not only for agriculture but for all this great Canada of ours.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, as a newcomer to this house I have listened over the past few days to the various views expressed by hon. members on a wide variety of subjects. I find that while I am not entirely in agreement with much that has been said, I can subscribe wholeheartedly to one sentiment that appears to be universally shared, namely, the pride and pleasure of this house in the re-election of Your Honour as Speaker. I would like to add my congratulations to you, to your new deputy and to all those who have been appointed to various tasks in this new parliament as well as to the mover (Mr. Corbin) and the seconder (Mr. Marchand) of the address in reply to the Speech from the Throne. I congratulate the mover and the seconder, but at the same time I feel sorry that they had to work so valiantly in support of such a poor thing as this Speech from the Throne.

• (9:00 p.m.)

If it truly represents the legislative plans of this government, then I can only describe it as disappointing and disillusioning. It will be particularly so to the people of my riding of Dauphin where agriculture is such a vital factor. As the hon. member for Lisgar (Mr. Muir) pointed out in the house the other day, 60 per cent of prairie residents are directly or indirectly dependent upon the grain industry.

The Speech from the Throne, as a reflection of government plans, was woefully deficient in the area of agriculture. At a time when there are great and urgent problems in agriculture, particularly in the wheat sector, this government appears to be blissfully unaware of them: Merely adjusting farm credit upward or tinkering with existing programs falls far short of what is needed at this time.

While our attitude to the whole agricultural industry in Canada needs complete rethinking and a radical and entirely new approach, the truly pressing problem lies in the area of wheat production. Canada's wheat channels today are choked with a tremendous carry-over. Piling up behind this is another bumper crop. By the time the current harvest is completed, this country will be faced with a disposable amount of wheat totaling well in excess of one billion bushels—some estimates place this figure at one and a quarter billion bushels.

What are the prospects of disposing of this huge amount of wheat? From the best available reports, the prospects are dim. Canada is caught between the inexorable pressure of wheat production and the increasing constriction imposed by dwindling foreign sales. When we consider that only about 10 per cent of our wheat production is absorbed by the domestic market, it can easily be seen what even the smallest dwindling of sales abroad can mean.

It is true that the wheat picture has been complicated by the crippling two-months strike of the grain handlers at lakehead ports, by unnaturally wet weather in the west, particularly in Manitoba, and by frost and other factors. These things will increasingly in the months ahead make much more difficult the movement of wheat from the farms to the elevators, to the terminals and to the final shipping ports. But these are temporary difficulties that have been experienced and overcome in the past.

What is much more serious and what is much more difficult to solve is the problem of maintaining the flow of wheat through sales to foreign customers. The whole wheat marketing picture has changed and is changing. The international wheat picture is chaotic. If we cannot adjust to changing circumstances, Canada is going to be left with her wheat with disastrous results, not only to the wheat producing areas but to the Canadian economy as a whole.

Right now Canada's traditional wheat export channel is like a garden hose in which the water has been fully turned on but on which the nozzle has been turned until the jet has been reduced to a fine spray. The restriction in this case is our inability to sell.

What is the situation in the world market place? For almost all of last year the uncontrolled buying and selling of wheat which followed the lapsing of the old international wheat agreement and the regulations imposed by the new international cereals agreement brought wide scale price cutting, cutthroat competition and the necessity of imposing

emergency measures to maintain a fair price for the Canadian producer.

This chaotic state of the market was supposed to be ended by the implementation of the provisions of the international cereals agreement last July. Canadian wheat producers were led to expect that things would return to normal, with Canada automatically picking up her old markets and customers at the new minimum price of $1.95½ per bushel, a figure 21 cents above the old price of two years ago.

What Canadian wheat farmers and the officials of the Canadian wheat board who are responsible for marketing our wheat found out, however, was that there was no easy way back to the old conditions. In the year of freely changing prices and lack of international agreement, conditions have changed greatly. The new world wheat agreement came into effect, but it failed to work either smoothly or effectively. In fact, things have now reached such a pass that many experts are predicting a total collapse.

In the past two years, Canada has grimly attempted to maintain a decent minimum price for wheat in the face of unrestricted dumping and price cutting, even by such ethical exporters as the United States. Since last July when the new world agreement came into effect, she has valiantly attempted to maintain the new world minimum of $1.95½, but apparently with little success. We have the satisfaction of sticking to our international bargain, but we are not selling wheat.

We are in great danger of being isolated. Our customers are changing, our competitors are changing, and only we remain the same. Can we survive by clinging stubbornly to traditional patterns in a world of such swift change? Under the old international wheat agreements, the international market was fairly orderly. The subscribing nations, both the importing and the exporting nations, abided by the terms and conditions laid down. Today, barely three months since the new type of international agreement came into force, there is widespread bickering and increasingly bad blood between countries. France and Australia have been accused of price cutting. The United States has so far abided by the agreement, and so has this country. However, she has sworn to move 750 million bushels of wheat abroad this year, and if her competitors have found a way around the international minimum price, we can be very sure the United States will also.

[Mr. Ritchie.]

Now, let us look at our customers, the traditional markets abroad for our wheat. India aims to be self-sufficient and to cease importing wheat within three years. Pakistan is striving toward the same goal. The Japanese market has been largely lost to France, mainly on the basis of a price which we disdained to meet or were too proud to try to meet. In Great Britain, Holland, Belgium, and also Italy to a certain extent, changing tastes have dictated changes in the types and grades of grain that will be purchased. The high quality wheat for which Canada is so justly famous, and which forms a large part of our exports, is in less demand. Then, too, the importing nations are attempting by every possible means, and very successfully in some cases, to improve their own agriculture in order to provide their own needs and conserve foreign exchange.

This, Mr. Speaker, is the ominous picture we must face now and in the foreseeable future. I do not think we can face up to it successfully if we only do those inconsequential things suggested in the speech from the throne. We expend far too little in the way of research money and effort in support of our grain industry. When we consider the vital role the grain industry plays in our national economy, the amount of money expended is trifling. So far as I can determine, and judging from recent discussions among western agricultural representatives, we have done nothing at all in the field of marketing research. In any other industry, particularly an export industry, a very large proportion of the annual budget goes to supporting marketing and market research. In the wheat industry, the individual producer is not in a position economically or technologically to undertake this tremendous task. It must be done by the federal or the provincial governments, together and singly.

I should like to see our new Minister of Agriculture (Mr. Olson) bring in a measure to ensure such vital basic support to the industry. I hope he will not procrastinate and put off doing anything on the excuse that he is waiting for a recommendation from the new national grains council yet to be set up. These are remedies that are needed quickly. If he waits for an as yet unestablished body to be set up, to consider the problem, make studies and finally come up with recommendations, he will find that Canada has ceased to be an exporter of wheat and has become an importer instead.

I believe that at this critical period in our agricultural development we must be prepared to act swiftly and boldly and we must not allow ourselves to be bound by past practice or traditional methods. I believe we must be prepared to be bold, radical innovators, to scrap the old grain legislation if necessary and start from scratch with new ideas and new techniques to meet new conditions.

Views on a two price system for wheat vary. Much can be said both for and against it. But, since this government has promised it to the wheat producers during the past three general elections, I think it only fair they bring it forward for our consideration. If it did nothing else, such a close scrutiny of wheat producing, shipping and marketing problems would undoubtedly produce a great deal of useful information.

As I see the situation, we need to work on two levels: One is immediate, emergency type legislation to tide our agricultural industry over a difficult period, and the other is to provide a long term solution to the basic difficulties and provide a policy base for future expansion and development.

Before leaving the subject of agriculture entirely, I should like to say a word about the great difficulty which faces the young man who wants to farm but finds today's conditions all but prohibit him from following his chosen calling.

• (9:10 p.m.)

I feel that one of the greatest hurdles to a young farmer in attempting to establish himself is the tremendous difficulty of acquiring and carrying the capital required under modern conditions. The accumulation of adequate farm capital is a very great problem in all parts of Canada. Even if a government or governments jointly provide part or all of the initial investment necessary to establish a modern, mechanized farming operation, the young farmer is handicapped by the heavy annual costs involved and by the uncertainty of returns. He must service his debt, pay income tax, meet the steady rise in the cost of living, and make provision for emergency and necessary annual improvements. In addition, he faces fluctuating prices and uncertain markets. He is at a grave disadvantage in comparison to his counterpart in the urban areas. A young man, in an urban area, must face taxes, the cost of living and other expenses that are perhaps a little higher. But, in most cases, he is drawing his living from a plant, the capital cost of which, and the annual cost of servicing that capital cost, is borne by someone else. The result is that at year's end the urban young man will be better off by several thousand dollars compared to his rural counterpart.

I think that much closer study must be given to ways of ensuring that those who wish to farm and are capable of adding to Canada's economic development through competent farming, are able to establish themselves in conditions of fairness and justice. Let us not be hasty in writing off agriculture. In Canada, it remains a large and important part of our national economic life and will do so throughout the foreseeable future. I apologize if I appear to have laboured the point of agriculture's problems. But, together with many other Canadians, I am genuinely alarmed and concerned at the lack of appreciation of agriculture's importance to the whole nation and the dangers of not taking immediate action to assist this basic industry. I would urge my colleagues, whose primary concern is with the problems of urban, industrial areas or with other aspects of Canadian life, to give close consideration to the interdependency of all sectors of the economy and of all regions of the country. I urge them to look at agriculture as a major factor affecting all those problems with which they are chiefly concerned.

I would have liked to deal with many other topics today, such as the proposed legislation on prescription drugs, the proposed amendments to the Criminal Code, and many other things. I would have liked also to have said something about the implications inherent in branding any society "just" or any other vote getting catch-word, a practice that in my estimation amounts to the equivalent of false advertising. I believe that such sloganeering is misleading and that it does a disservice to Canadians. The men who coin and use such catchy phrases know as well as anyone else that no society yet known to history has been capable of being perfected suddenly and dramatically. Society, and man himself, are not susceptible of overnight change. Yet such a phrase as the just society subtly implies that in the twinkling of an eye everything is to be made the best in the best of all possible worlds. Many people, too many people, can be convinced against their better judgment by such methods. Faced with national conditions as they are, with the fact of human nature, with limited national resources and circumscribed by time, no government can

produce instant miracles, no government can recreate the world. To suggest that it can, even by the subtlest inference, is misleading and unjust.

Honesty dictates that any government study the needs of its people, assess the urgency of each and then ascribe to each a place in the order of priority. Tax dollars are limited. They should be put to use on the basis of greatest good for the greatest number. It is not a question of what we would like to have but of what we can sensibly do. I think the priorities approach is long overdue in facing up to Canada's national problems.

There are many other points, particularly in the field of health and welfare, upon which I would like to have touched. But no doubt there will be ample opportunity for me to speak of them in greater detail at a more appropriate time. In the meantime, I do hope that the Minister of Agriculture (Mr. Olson), and the cabinet as a whole, will give the most urgent consideration to dealing with the rapidly deteriorating situation in regard to wheat handling and marketing.

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

Some hon. Members: Question.

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

Some hon. Members: On division.

Motion (Mr. Corbin) agreed to.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, at this point it has been traditional to move a resolution asking that the address be engrossed and presented to His Excellency the Governor General by such members of this house as are of the hon. Privy Council. It is the thought this year that that procedure should be changed so that the motion would ask Mr. Speaker to present the address to His Excellency. The address is, after all, not a communication coming from the government or from a privy councillor. It is a communication from the house. It is therefore appropriate that you, as spokesman for the house, should present the motion.

I, therefore, move:

That the said Address be engrossed and presented to His Excellency the Governor General by Mr. Speaker.

Motion agreed to.

[Mr. Ritchie.]

WAYS AND MEANS

APPOINTMENT OF COMMITTEE

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

That this house will, at its next sitting, resolve itself into a committee to consider of the ways and means for raising the supply to be granted to Her Majesty.

Motion agreed to.

SUPPLY

APPOINTMENT OF COMMITTEE

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

That this house will, at its next sitting, resolve itself into a committee to consider of the supply to be granted to Her Majesty.

Motion agreed to.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, in view of the fact that the hour is advancing, perhaps at this point the house might be agreeable to calling it ten o'clock.

I should like to suggest for the business of the house tomorrow that, after completion of the routine proceedings, the government order to be called be the second of the two resolutions standing in my name under government notices of motions on the order paper which were transferred today; that is to say, the resolution in respect of the twelve member committee to study the procedures of the house.

Mr. Baldwin: Mr. Speaker, the procedure outlined by the President of the Privy Council is quite satisfactory. We are also quite agreeable that ten o'clock be called, in view of the fact that the government on our initiative very wisely co-operated in bringing this debate to an end.

Possibly the government house leader, at this stage, might be prepared to go a little further and clarify the answer he gave the other night concerning what the business of this house would be in relation to government orders after we have dealt with the question to which he referred on Thursday. Is he able to be of any greater assistance now in outlining what business there could be, and will be, after the three measures, which I think are numbers 5, 6 and 7 on the order paper under government orders have been dealt with?

• (9:20 p.m.)

Mr. Macdonald (Rosedale): It would depend on whether the house, before Thursday, has dealt with the resolution to which I have referred and also the companion resolution with regard to a committee on delegated legislation. If after the completion of the application for interim supply on Thursday next, or so soon thereafter as it may be passed, the two resolutions standing in my name on the order paper have not been passed, then it would be the intention to call them. First, I would call the resolution to establish the procedure committee and then the resolution to establish the committee on delegated legislation.

The government's intention after that would be to call the three resolutions which are Nos. 6 and 7 standing in the name of the Minister of Agriculture, and No. 5 standing in the name of the Minister of Finance, the latter with respect to the Farm Improvement Loans Act.

Mr. Baldwin: Can you go beyond that?

Mr. Macdonald (Rosedale): I regret, Mr. Speaker, that at the moment I cannot go beyond that. However, it will be my intention to inaugurate the practice on Thursday next, and on every Thursday thereafter throughout the session, of making an announcement at the time of questions preceding the orders of the day, of the government's intentions with respect to the forthcoming week, and then responding to questions from hon. members.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the hon. member for Peace River has asked my question, but I wonder whether the answer could be put a little simpler. Do I understand that we shall be on the procedure committee resolution tomorrow, then on the one about delegated legislation, to be followed by interim supply and then the farm legislation?

Mr. Macdonald (Rosedale): If the house has not dealt with the procedure resolution and the committee on delegated legislation resolution by Thursday next, that debate will be interrupted to take the application for interim supply. Then, the other debate will be taken up again until it is completed.

Mr. Speaker: Is the minister moving the adjournment of the house?

Mr. Macdonald (Rosedale): I would so move, Mr. Speaker.

On the motion of Mr. Macdonald (Rosedale), the house adjourned at 9.24 p.m.

HOUSE OF COMMONS

Tuesday, September 24, 1968

The house met at 2.30 p.m.

[*Translation*]

TRADE

TABLING OF DEPARTMENTAL COMMUNICATIONS AND DOCUMENTS

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, at the request of the hon. members for Calgary Centre (Mr. Harkness) and Edmonton West (Mr. Lambert), and with the leave of the house, I would like to table, in English and in French, copies of the press release of September 19, 1968, prepared following the wheat exporters meeting at Canberra, the Trade and Commerce press release of September 19, 1968 on guide lines concerning overseas investments of non-financial companies, the Department of Finance press release of May 3, 1968 concerning guide lines with respect to operations by chartered banks, and the press release of July 24, 1968 on guidelines for other financial institutions.

[*English*]

Mr. Speaker: Has the minister leave to table these documents?

Some hon. Members: Agreed.

NATIONAL SECURITY

DISCOVERY BY R.C.M.P. OF ATTEMPTED SALE OF MILITARY SECRETS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the right hon. Prime Minister. Can he say whether there is any basis in fact to the report that a public servant formerly employed in the directorate of intelligence and security of the armed forces was discovered by the R.C.M.P. eight months ago attempting to sell military secrets to a foreign power. Will the Prime Minister, who was minister of justice at that time, undertake to give a full report to the house?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I have asked the Minister of Justice to look into that matter. Perhaps he has some answers.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, in answer to the question of the Leader of the Opposition I might say that investigations into suspected unlawful activity are continuously being carried on by the R.C.M.P. and by other investigatory bodies, but in the absence of charges being preferred it would not be proper nor would it be in the public interest to make the results of such investigations a matter of public record. I believe that this is particularly applicable to investigations which may involve the national security.

Under the circumstances, and with the greatest respect, I must decline to enter into a discussion of the allegation referred to.

Mr. Stanfield: I have a supplementary question. Will the Minister of Justice say whether in fact the case was—to use the words of the public report—"hushed up" by the federal Department of Justice and the R.C.M.P.?

Mr. Turner (Ottawa-Carleton): If my advice is correct, the case was thoroughly investigated by the R.C.M.P. It was referred to the law officers of the crown and the Department of Justice. It was the opinion of the law officers of the crown, concurred in by the senior officers of the R.C.M.P., that it would not be in the public interest to prosecute.

Mr. Stanfield: I have another supplementary question, Mr. Speaker. Would the Minister of Justice be prepared to tell the house the basis on which it was decided not to bring this man to trial?

Mr. Turner (Ottawa-Carleton): No sir, I am not.

Mr. Stanfield: I have a further supplementary question. Will the Minister of Justice say whether it is a fact that the individual in question continued in his job in the public service after the police report was made, and for how long he continued in the employ of the government after this report was made? Would the Minister of Justice also say whether the individual in question was allowed to resign quietly and waive his right to appeal?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, these questions are beyond the responsibility of my particular department.

Some hon. Members: Oh, oh.

Inquiries of the Ministry

Hon. Marcel Lambert (Edmonton West): I have a further supplementary question, Mr. Speaker. Would the minister confirm that the individual concerned has now disappeared and that the R.C.M.P. have no trace of his present whereabouts?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I do not have the information on which to answer that question.

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I have a supplementary question for the Minister of National Defence. Has the minister or his department carried on an investigation into this case in addition to the investigation carried out by the R.C.M.P.? Did this investigation disclose any other members in the department who might have been connected with this particular individual?

Hon. Leo Cadieux (Minister of National Defence): Mr. Speaker, my information is that this individual is not an employee of the Department of National Defence.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct my supplementary question to the Minister of Justice. If no charges have been laid against this individual, on what basis was he either dismissed from the public service or asked to resign?

Mr. Turner (Ottawa-Carleton): I have no direct information on that particular subject, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Would you like this minister to defend you?

Mr. Stanfield: Mr. Speaker, in view of the importance of this question, the obvious lack of information and the obscurity which has been created, will the Prime Minister make a statement to the house?

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the Minister of Justice whether this case is still under investigation, in spite of the fact that he seems to be operating in a vacuum of secrecy.

Mr. Turner (Ottawa-Carleton): Following what I have just said, Mr. Speaker, let me state that after the review by R.C.M. police and law officers of the crown the matter was closed.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to ask the Prime Minister a question in connection with this matter, realizing that security of the nation rests on the shoulders of the Prime Minister. Indeed this fact is essential to his office.

[Mr. Turner.]

Without going into the question of whether this information should be revealed in the house, may I ask him if the course sometimes followed in the United Kingdom would be acceptable? I refer to a course whereby security would not be endangered, but at the same time would avoid any suggestion of secrecy or covering up. Would the Prime Minister be prepared to allow members of Her Majesty's privy council in the opposition to see the record?

Mr. Trudeau: With the question stated in this way, Mr. Speaker, I think I should say that the government over a year ago appointed a commission to investigate the whole question of security. I said in the house the other day that this report would be in our hands very soon. I expect that that type of question will be dealt with and will give us some basis on which to act. When I have received and read that report I will be glad to make the house acquainted with any procedure of that kind which might be suggested by these gentlemen.

Mr. Diefenbaker: Without waiting for that report, Mr. Speaker, does the Prime Minister feel that in the interests of the public as a whole, regardless of the circumstances of this case, privy council members of Her Majesty's loyal opposition should not be denied this information? They are sworn to secrecy. Will the Prime Minister not allow them to look at this record in his presence, so that any suggestion of cover up will be denied if the circumstances so establish?

Mr. Trudeau: I think the suggestion would be valid, sir, if we had to wait for any length of time for the report. However, I spoke to a member of the commission yesterday and asked about the state of this report. It was indicated that it will be a matter of a very short time before the report will be in my hands. If this particular aspect of the situation is not covered—and that is something I do not know as yet—I will be glad to discuss this suggestion with the Leader of the Opposition.

UNITED NATIONS

VIET NAM—DE-ESCALATION OF MILITARY ACTIVITIES

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, in view of the opposition of the last government to the bombing in North Viet Nam, and in view of the statement made by the Secretary General of the United Nations as

reported in this morning's press, is the Secretary of State for External Affairs and the government considering taking the initiative in proposing to the General Assembly the kind of resolution the Secretary General has suggested?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I have read, and so have the government, the statement by the Secretary General of the United Nations in favour of stopping the bombing in Viet Nam and also his opinion that there may well exist a majority in the assembly for this view.

We ourselves, as the government has expressed on a number of occasions, consider a halt to the bombing as one of the essential first steps which will have to be taken by both sides to the conflict. In our view, a balance would have to be kept in such appeal if it were to be made. A resolution calling only for a halt in the bombing without stressing the obligation on the other side to contribute significantly to military de-escalation would not seem to reflect what has to be done by both sides if peace is to be restored.

Mr. Lewis: A supplementary question, Mr. Speaker. In view of the position of the Secretary General, which has been repeated many times, and in view of the position taken by the former prime minister which he stated once or twice—I am speaking from memory but I am sure I am not misrepresenting him—is the Secretary of State for External Affairs now saying to the house that he is opposed to a resolution such as that suggested by U Thant, and that he will take no steps to deal with it at the general assembly?

Mr. Sharp: Mr. Speaker, the position of the Canadian government would, I think, depend on whether this sort of action would contribute to the end of the war in Viet Nam. The Secretary General has expressed his view and it is one that we would certainly look at seriously. We would want to be satisfied, however, that it would help to facilitate the peace negotiations that we hope are underway now.

Mr. Lewis: A further supplementary question, Mr. Speaker. Would one be justified in thinking that because the ambassador of the United States at the United Nations has expressed opposition to the Secretary General's suggestion the Department of External Affairs in Canada is not willing to support it?

Mr. Speaker: Order, please. The question is patently out of order.

[*Translation*]

HIGHWAYS

QUEBEC—REQUEST FOR LEGISLATION TO PROTECT TRUCK TRANSPORT

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wanted to direct a question to the Minister of Transport, but in his absence, I will put it to the Minister without Portfolio.

Can the minister tell us whether representatives of the Quebec government had recent discussions with him or members of his staff with a view to elaboration of federal legislation prohibiting road transportation for the railways, and does the minister intend to move the adoption of that legislation during this session?

[*English*]

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, representatives of the Quebec government have not had discussions with me on that subject.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, could the Parliamentary Secretary to the Minister of Transport assure us today that the town of Farnham has been officially chosen by his department, in view of the fact that the provincial government has already made known its development project of a road system—

[*English*]

Mr. Speaker: Order, please.

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question which I will direct to the Prime Minister, Mr. Speaker. Can he tell us when we may expect the presence in this house of the Minister of Transport, and how many days he has been in the house since this session started?

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

EXTERNAL AID

BIAFRA—TRANSMISSION OF CANADIAN RELIEF SUPPLIES

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy Royal): Mr. Speaker, I have a question for the Secretary of State for External Affairs, and in posing it I hope I pronounce the gentleman's

name correctly. In light of statements by Benjamin Adekunle, the Nigerian military commander, expressing hostility to relief activities from any source, statements which were brought to the attention of the house yesterday, would the minister explain how Canadian relief supplies have reached the war area which is under that officer's control?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I am not aware of this statement. I shall look it up now that the matter has been brought to my attention, but in any relations that we have had with the Nigerian government, they have welcomed relief.

HOUSING

TASK FORCE—PARTICIPATION BY PROVINCIAL AND MUNICIPAL OFFICIALS

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Transport which, in his absence, I shall direct to the acting minister who is, I believe, the hon. member for Winnipeg South. In view of the important role that other levels of government must play in any discussion of the housing problem, will the minister indicate whether provincial and municipal officials have been specifically contacted and invited by him to testify before the task force on housing?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, I would like to take notice of that question.

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary question, Mr. Speaker. Will the minister also ascertain why, in a non-partisan investigation such as the one being conducted, seven Liberal members of parliament were invited to take part actively in the conference.

An hon. Member: What are the facts?

Mr. Nesbitt: A supplementary question, Mr. Speaker. Since the Acting Minister of Transport took notice of my first question I wonder whether he would take notice also of my supplementary question. In view of the complexity of the issue can the minister assure the house that those officials who are being asked to testify are being notified well in advance of the scheduled visit of the task force to their respective cities? I ask this question, Your Honour, because it is my information that the city of Toronto has objected to the short notice given for the presentation of briefs.

[Mr. Fairweather.]

TASK FORCE—REQUEST FOR TABLING OF SCHEDULE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a question to the Acting Minister of Transport. Is he in a position to tell the house whether the finalized schedule of the task force hearings on housing is available so that ample notice may be given to the various interested municipalities and provincial governments and, if so, would the minister table the schedule of hearings?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, I know that the Minister of Transport, who is responsible for the task force on housing and who is chairing the task force, is very anxious that his study proceed with all dispatch. I know too that he will be very pleased to table the schedule of hearings, if he has not already done so.

EXTERNAL AFFAIRS

NATO—DISCUSSIONS WITH SECRETARY GENERAL RESPECTING CANADIAN PARTICIPATION

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): May I direct my question to the Secretary of State for External Affairs. Recently the Secretary General of NATO visited Canada and, according to my understanding, paid a brief visit to our Minister of National Defence. In the light of these facts is it possible for the Secretary of State for External Affairs to advise this house of the purport of any discussions that he or his departmental officials had with the Secretary General on the subject of Canada's continuing role as a NATO member. If that is not possible at this time will the minister be able to advise us at an early date of the discussions that were held with the Secretary General of NATO on the subject of Canada's relations with the NATO alliance?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I do not think it would be appropriate for me to make such a statement at this time. I should be happy to do so, perhaps, when the estimates of my department are called, which I hope will be at an early date.

Mr. Winch: A supplementary question, Mr. Speaker. The matter is of such importance, especially in the light of the visit by the Secretary General, that I submit it would be appropriate for the Secretary of State for

External Affairs to make an announcement about any discussions held with the NATO representative.

Mr. Speaker: Order, please.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. In his conversations yesterday did the Secretary General strongly urge the Canadian government to leave its forces in Europe intact, at the present time? If so, what was the reply of our government?

Mr. Sharp: Mr. Speaker, the Secretary General made it quite clear in his press conference before he left yesterday that he was speaking personally when he expressed the view that any reduction in NATO forces at this time would be detrimental to the alliance. The Secretary General is aware that discussions are now going on in the NATO council on this important question.

Mr. Hees: A further supplementary question, Mr. Speaker. Did the Secretary General not ask for an assurance that Canada would keep her forces intact in Europe?

Mr. Sharp: No, Mr. Speaker.

Hon. J. A. MacLean (Malpeque): A supplementary question, Mr. Speaker. Will the Secretary of State for External Affairs say whether any of our other NATO allies in addition to Britain have made representations to Canada concerning the postponement of any possible reduction in our contribution to NATO military strength under the present circumstances?

Mr. Sharp: As I said in reply to similar questions, Mr. Speaker, we have had representations from a number of countries, not directed specifically at Canada but at the NATO powers generally, to the effect that there should not be reductions. It was out of that sort of consideration in the council meeting that the communiqué issued. A number of countries are, of course, very concerned, including Germany, for example, which now sees the presence of Soviet troops on her border and is anxious that NATO should make a firm response, and has made representations to all NATO powers, including Canada.

Mr. MacLean: Can the Secretary of State for External Affairs say whether a place and a date have now been set for a meeting of the NATO ministers and whether this meeting will take place in New York early in October?

Mr. Sharp: Mr. Speaker, as has apparently been made known to the press by a spokesman fo rthe United States government, consideration has been given to arrangements for a meeting between some or all of the NATO ministers in New York at the time of the general assembly. There has also been consideration of the date of the meeting which was to be held in December. But no decision has been made definitely on either of these questions, although I think it is fairly clear that there will be an informal meeting in New York.

CZECHOSLOVAKIA—REQUEST FOR TABLING OF NOTES

On the orders of the day:

Mr. Ed. Schreyer (Selkirk): Mr. Speaker, will the secretary of State for External Affairs indicate whether he will table or otherwise make public the contents of the notes received by Canada, as a member state of NATO, from the U.S.S.R. subsequent to the invasion of Czechoslovakia?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I thank the hon. gentleman for giving me notice of his question. One reason I hesitate to answer his question is that I cannot recollect whether the statements were made to me orally by the Soviet ambassador, or whether he actually presented a note at that time. May I add this, that the communication was not addressed to a member state of NATO but simply to Canada.

Mr. Schreyer: A supplementary question, Mr. Speaker. In the event that the communiqué was in written form, will the minister consider making it public or tabling it in this house?

Mr. Sharp: Yes, Mr. Speaker. I shall give consideration to that.

NIGERIA—ACCEPTANCE OF INVITATION TO SEND OBSERVER

On the orders of the day:

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Some 10 days ago he informed the house of the appointment of Major General W. A. Milroy as Canadian observer attached to the Nigerian federal forces. As I understand it his task is to observe and report on the conduct of the federal Nigerian forces. What steps have been taken to provide General Milroy with the staff he will obviously need to carry out his task?

Inquiries of the Ministry

FINANCE

VALIDITY OF ORDER IN COUNCIL REDUCING CUSTOMS DUTIES

On the orders of the day:

Hon. John N. Turner (Minister of Justice): Mr. Speaker, on September 17 the hon. member for Winnipeg North Centre asked me whether all aspects of an order in council which he later identified to me as P.C. 1968-816 were checked by the Department of Justice before approval was given to it. A direct answer to that question, sir, is, yes.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in view of the fact that this order in council was a questionable use of delegated authority, may I ask the minister to discuss it when we are considering the motion later today to set up a committee on this very subject?

GRAIN

MOVEMENT FROM LAKEHEAD FOLLOWING STRIKE

On the orders of the day:

Mr. A. B. Douglas (Assiniboia): May I direct a question to the Minister of Industry, Trade and Commerce. In view of the fact that the lakehead grain handlers strike has been over for almost two weeks, can the minister inform the house whether or not grain is now moving from the lakehead ports at a satisfactory rate?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, since the end of the strike, 23.5 million bushels of wheat were forwarded from the storage facilities at the lakehead during the first week, and right now 12 ships are waiting to be loaded. Of the 11,863 covered wagons immobilized by the strike, 3,362 have now been unloaded at the warehouses. It is probably a record for Canada, Mr. Speaker.

[*English*]

WHEAT—PRICE SITUATION FOLLOWING CANBERRA MEETING

On the orders of the day:

Mr. J. H. Horner (Crowfoot): Since we are dealing with the subject of wheat and wheat movement, will the minister also assure the house that satisfactory arrangements arose out of the Canberra meetings last week, and that we can now realize a satisfactory and stable price for our wheat?

[Mr. Anderson.]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): "Satisfactory arrangements" is a relative concept, Mr. Speaker. We were very cheered, if I might put it that way, by the fact that all the exporters rallied round the price and the system established by the international grain arrangements.

Mr. S. J. Korchinski (Mackenzie): I should like to ask the minister whether we shall be getting these reports weekly, or every second day from now on. What is the situation?

Mr. Pepin: I would be delighted to make them daily.

Some hon. Members: Oh, oh.

TRADE

WHEAT—REQUEST FOR STATEMENT ON EXPORT SITUATION

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary South): Mr. Speaker, I wonder if the Minister of Industry, Trade and Commerce has had a chance to look at the question I directed to him, as recorded at page 267 of *Hansard* for Friday last, and the undertaking given by the Minister of Agriculture that his colleague would make a statement, in brief, on exports to date and future commitments of grain, together with a reference to the Canberra talks? I understood the minister was going to make a full statement on motions. Is it his intention to make that statement in the very near future?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I will see about that, Mr. Speaker.

ADMINISTRATION OF JUSTICE

MARIJUANA—REQUEST FOR STATEMENT OF GOVERNMENT POLICY

On the orders of the day:

Mr. J. M. Forrestall (Dartmouth-Halifax): Mr. Speaker, I would like to direct a question to the Prime Minister. It arises out of one asked last Thursday by the hon. member for Perth of the Prime Minister concerning a speech made by the Minister of National Health and Welfare on the penalties for possession and use of marijuana. While the house may agree that it is useful for the minister to open this subject for discussion, will the Prime Minister state whether the particular point of view made by the minister in that speech does in fact represent government policy?

Right Hon. P.-E. Trudeau (Prime Minister): I answered that the other day, Mr. Speaker.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I wish to direct a supplementary question to the Solicitor General. Has the Commissioner of the R.C.M.P. given his views to the Solicitor General on the suggestions made by the Minister of National Health and Welfare?

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

IMMIGRATION

EFFORTS TO BRING DANIEL COHN-BENDIT TO CANADA

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration. Can he inform the house whether the department of immigration is aware of any effort by a Committee for Revolution at the University of Montreal to bring Daniel Cohn-Bendit, better known as Danny the Red, to Canada?

Hon. A. J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, we have no evidence that this gentleman has come to Canada.

INDIAN AFFAIRS

INQUIRY AS TO CHANGES RESULTING FROM REORGANIZATION

On the orders of the day:

Mr. Martin P. O'Connell (Scarborough East): Mr. Speaker, I wish to direct a question to the Minister of Indian Affairs and Northern Development. In view of the consultations presently in progress across Canada with representatives of Indian bands respecting proposed changes in the Indian Act, and in view of the announced intention of consulting Indian people on major changes in government policy of concern to them, is the minister prepared to delay implementing the current major reorganization of his department until its purposes and implications are made clear to the Indian citizens it serves?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, the reorganization referred to by the hon. member is not at all related to the consultations we are now having with Indians with regard to the revision of the Indian Act. However, I can assure the hon. member that when major changes are made in my department, I will take the necessary steps to inform the main parties concerned, who are always people of Indian origin.

[*English*]

REQUEST FOR TABLING OF CARR COMMISSION REPORT

On the orders of the day:

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I direct a question to the Minister of Indian Affairs and Northern Development. Has the completed Carr commission study been received by his department, and, if so, will it be tabled in this house? Further, while the minister is answering that will he say when he will be tabling his white paper on governmental reform in the Yukon?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, there are two different questions. With regard to the Carr report, the department received it a few days ago and it is being studied at the present time. When the document has been translated into the two languages, we can table it in the house.

[*English*]

As concerns the white paper on the constitutional evolution of the Northwest Territories, I am now studying the problem. I shall soon hold consultations with the elected representative of the Yukon and the Northwest Territories before making a statement on the point of view of the government in this regard.

ARMSTRONG, ONT.—REQUEST FOR ACTION TO RELIEVE POVERTY

On the orders of the day:

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, I direct my question to the Minister of Indian Affairs and Northern Development. In view of the desperate social conditions and shocking poverty which exist among the Indian people of Armstrong, Ontario, a situation which has recently been brought to the attention of the nation and which has resulted in the exclusion of Indian children from public school education in Armstrong, what immediate action does the government intend to take in order to remedy or alleviate the problem?

Mr. Speaker: I suggest that this very important and urgent question might be debated by the hon. member at the time of adjournment.

Inquiries of the Ministry

[*Translation*]

NORTHERN AFFAIRS

QUEBEC—TRANSFER OF JURISDICTION

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to ask the Minister of Indian Affairs and Northern Development a supplementary question.

With regard to the transfer of jurisdiction between the federal government and the province of Quebec in the fields of education and health and in others, were the Indians and the Eskimos in that part of New Quebec consulted before that arrangement was agreed upon?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I could not reply to that question immediately, but I will inquire and give an answer to the hon. member tomorrow.

[*English*]

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Minister of Justice regarding the theft of stocks and bonds in Montreal over the week end. Is there any indication of an inside job?

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I have a question for the Acting Minister of Transport. In view of the awkward financial position of many Canadian shipyards, would the government consider subsidizing a boat suitable for racing for the America Cup.

[*Translation*]

NATIONAL PARKS

QUEBEC—NEGOTIATIONS RESPECTING ESTABLISHMENT

On the orders of the day:

Mr. André Fortin (Lotbinière): I would like to direct a question to the hon. Minister of Indian Affairs and Northern Development.

[Mr. Speaker.]

According to his statement recorded on page 23 of *Hansard,* has he met with the Minister of Tourism for Quebec in order to discuss the non-existence of national parks in the province of Quebec, and what agreement has been reached?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): In fact, Mr. Speaker, I met the Minister of Tourism of Quebec on Wednesday last, here in Ottawa. We had a very fruitful exchange of views. Our officials are studying this problem and I hope to be able to issue a statement on this subject in perhaps a month.

[*English*]

MANPOWER

PROTESTS RESPECTING OMISSIONS FROM OCCUPATIONAL TRAINING PROVISIONS

On the orders of the day:

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration regarding the Adult Occupational Training Act. Has his department received any protests from the provinces regarding the omission of students who have left the school system but who have not yet been 12 months on the labour market?

Mr. Speaker: Order, please. The question as asked is not in the proper form and has to be ruled out of order.

TRANSPORT

POTASH—REQUEST FOR INQUIRY INTO FREIGHT RATE

On the orders of the day:

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I would like to direct a question to the Minister of Transport but in his absence will direct it to the acting minister. In view of the serious consequences to railway services and employees in Saskatchewan from the proposed changes in transportation of potash by I.M.C. of Esterhazy, is it the intention of the minister to call for an inquiry into the freight rate structure for the transportation of potash to the United States and overseas markets?

Mr. Speaker: I doubt whether this question should be asked at this particular time. If the hon. member knows of urgency in connection with it that is not apparent to the Chair, it might be discussed at the time of adjournment.

STATEMENT ON JURISDICTION RESPECTING SAFETY OF RAILWAY WORKERS

On the orders of the day:

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, on September 19 the Minister of Transport took notice of a question directed to him by the hon. member for Moose Jaw. The minister's reply, which he has asked me to make on his behalf, is that the railway transport committee has held hearings but has not yet made a decision on the matter raised in the hon. member's question. A judgment will be made shortly by the transport committee and will be announced.

AGRICULTURE

CORN—REPRESENTATIONS AS TO PRICE

On the orders of the day:

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I would like to direct a question to the Minister of Agriculture. Since the corn harvest has already started, and yesterday there was a further six cents per bushel drop in the price, can the minister state whether the government has reached any decision regarding representations made on this matter last week by the O.F.U. and the C.F.A.?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, these were two very useful meetings, with an exchange on the problems, both mechanical and physical, involved in the solutions suggested by the Ontario Federation of Agriculture and the Ontario Farmers Union. I think it was made fairly clear to both organizations what these problems were, but there were one or two other things that seemed to be somewhat easier of implementation that are under active consideration, and I hope we can have an answer to this within a day or two.

CHEESE—DUMPING OF EUROPEAN PRODUCT

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I would like to direct a question to the Minister of Agriculture. In view of the statement in Vancouver yesterday by the president of the National Dairy Council to the effect that European cheese is being dumped in Canada, is the minister aware of this and, if so, what is the government doing or proposing to do to stop it?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have that article here. I believe the one the hon. gentleman is referring to is the article which appeared in this morning's Montreal *Gazette*. It is rather brief and not too informative. Certainly if cheese is being dumped into Canada appropriate steps will be taken to prevent such action. An investigation is under way. However, certainly more information is needed than was contained in the press article.

In general, imports of cheese into Canada are limited to relatively high priced specialty types of cheese which are not produced in Canada. I would have to look into the matter further before accepting the suggestion that cheese is being dumped.

Mr. Hees: The Canadian Press dispatch states definitely that cheese is being dumped and that the president of the National Dairy Council is very worried about it. In view of this would the minister contact the president of that organization and find out what is going on?

Mr. Speaker: Order. The hon. member is making a submission now which is noted by the minister.

APPLICATION OF P.F.A.A. FOLLOWING DETERIORATION OF CROP

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, my question is for the Minister of Agriculture. In view of the frozen and deteriorated state of crops in many parts of the west, will the minister be introducing an amendment to the P.F.A. administration?

Hon. H. A. Olson (Minister of Agriculture): No amendments to the P.F.A. administration are anticipated for this season's operations.

DEFENCE PRODUCTION

AUTOMOBILES—INCREASED PRICES OF VEHICLES

On the orders of the day:

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I wish to direct a question to the Prime Minister. Has he given consideration to his government taking action against car manufacturers who have increased the price of their products to the Department of Defence Production, which will later become a department of services and supplies, in view of the fact that the second of the big three manufacturers has now announced a big price increase?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I will discuss this with the minister concerned.

Inquiries of the Ministry

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF HIS EXCELLENCY WILHEM SCHUT

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, would you kindly allow me to point out the presence in the Speaker's gallery of His Excellency Wilhem Schut, Netherlands Minister of Housing and Land Development, head of a mission on housing which is visiting Canada in order to examine the advantages of wood in house building.

Some hon. Members: Hear, hear.

[*English*]

EXPO '67

STATEMENT RESPECTING MONTREAL SHARE OF DEFICIT

On the orders of the day:

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the hon. member for Vegreville on Friday asked what talks have taken place with the city of Montreal in respect of the city's share of the deficit arising out of the operation of the corporation for the 1967 world exhibition.

My predecessor on behalf of the government of Canada, as the major source of funding for the corporation, proposed terms to the province of Quebec and the city of Montreal for repayment of their respective shares of the cost of Expo' over four and eight year periods respectively, commencing on July 1, 1968. The government of the province of Quebec responded to this suggestion and repayment commenced in July as proposed. Montreal has not yet responded to the proposal.

The government is aiming at winding up Expo' by March 31, 1969. Final calculation of the total cost is, of course, not possible until all outstanding business of the corporation is completed.

It is anticipated that appropriate arrangements will be made among the participants for the final distribution of the corporation's assets and liabilities by that date.

HARBOURS

VANCOUVER, B.C.—PROVISION FOR DREDGING OPERATION

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, since following redistribution two thirds of the south side of the inner harbour of Vancouver now is in my riding, I am sure you will understand the importance of my question to the Minister of Public Works. In view of the fact that the government's decisions on estimates are already in and must be contemplated for the fiscal year starting April 1 of next year, may I ask the minister, who is in charge of the dredging for the Harbours Board, if he is giving major consideration to completing the dredging of Vancouver harbour in these estimates in one year and not in the long term plan of the previous administration.

Hon. Arthur Laing (Minister of Public Works): All aspects of the harbour of Vancouver are taken into consideration by my department.

Mr. Winch: I have a supplementary question—

Mr. Speaker: Order, please.

BUSINESS OF THE HOUSE

Mr. Speaker: When questions are felt to be important by hon. members perhaps I should allow them to ask their questions and permit the answer, even though the time for questions has expired. However, if we are to operate properly and effectively by the rules I think we should make an effort to have shorter questions and shorter answers, so that all hon. members will be given an opportunity.

Some hon. Members: Hear, hear.

HOUSE OF COMMONS

SPECIAL COMMITTEE TO CONSIDER PROCEDURAL CHANGES

Mr. Speaker: Mr. Macdonald (Rosedale), seconded by Mr. Pelletier, moves—

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on a point of order, I suggest that a motion like this might be seconded by a member of the opposition. Why not the hon. member for Peace River (Mr. Baldwin)?

Mr. Speaker: Mr. Macdonald (Rosedale), seconded by Mr. Knowles (Winnipeg North Centre)—

Some hon. Members: Hear, hear.

Mr. Speaker: —moves:

That a special committee of twelve members, to be named at a later date, be appointed to consider and, from time to time, to report upon the advisability of making changes in the orders concerning

the business of supply, the business of ways and means, the stages of the legislative process, and the operation of the standing committees of this house; upon the advisability of making permanent, with or without amendment, any or all the several changes in the procedures of this house that were in effect prior to the dissolution of parliament on April 23, 1968; and upon the advisability of such other changes as the committee may deem suitable to promote the more expeditious dispatch of the business of the house; and

That this special committee is hereby instructed to make its reports to the house prior to December 1, 1968, and to include in its reports drafts of proposed standing orders drawn to give effect, if adopted by the house, to any change or changes that may be proposed by the committee.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, in my first words may I express my thanks to the hon. member for Winnipeg North Centre (Mr. Knowles) for his support in this regard. I should like to reiterate that I do not at this time intend to set before the house the detailed changes the government will be proposing. I wish to take the occasion of the introduction of this motion to give the house some idea of the underlying propositions which the government is considering in connection with the change in the standing orders of the house and give some indication of the various areas of the standing orders which we would like to be changed for the purpose of better facilitating the house business.

I believe it has become a truism that in recent years parliament, not only in Canada but in Great Britain, has been doing badly, it has been the subject of a great deal of criticism. When analysed, the reasons for that criticism appear to be threefold: First, the demeanour with which we carry on our parliamentary business; second, the delays created in turning legislative intention into law and, third, the failure on the part of members to examine in depth the proposals which come before us.

With regard to the first of these criticisms, the question of demeanour or the manner in which we carry out the functions of the house, I do not believe that even the most Draconian of rules or the greatest martinet of a speaker could possibly bring about any change or improvement. It remains an individual responsibility of the members as to the manner in which they approach their conduct in the chamber. But with respect to the second and third of these criticisms, the fact that we take too much time and that we do not go deeply enough into the business of the house, these seem to me to be areas in which we can take collective responsibility, and indeed those are the two areas in which as an underlying theme the government feels changes should be made to the rules of the house.

• (3:20 p.m.)

I think the first thing to be said about those two criticisms is that, at least to a degree they are contradictory. If we are to put more business through the house in a shorter period of time, obviously it will be impossible to go more deeply into each individual item. It was really to overcome this contradiction that the government proposed to put more work, and therefore more responsibility, into the standing committees system of the house.

If all business must at all times pass through a single pipe line—that is to say, this chamber—it is obvious that slowing down the flow in that pipe line by examining with greater scrutiny the individual details will impair the ability to get more tasks done. But if, as the government will propose to the special committee, we put the most detailed aspects of our work—for example, the detailed scrutiny of the estimates or the clause by clause examination of legislation—into the functional standing committees, then the flow will have been broken up into three, four or more pipe lines and a stoppage in one will not necessarily be a stoppage in all.

The dissatisfaction of the public with the manner in which we have conducted our business in the past was reflected in the past two parliaments in efforts made to bring about changes in our procedures. We in this parliament are the beneficiaries of the work of earlier parliamentary committees and also of the accumulated experience of this house in working with the provisonal rules which have been in effect in recent years and which have been carried on until the start of the session after Christmas.

By the committee which this resolution proposes, therefore, we have the opportunity and indeed the responsibility to bring to completion the changes which were proposed in those previous sessions and some of the changes which were carried out provisionally. From these general propositions I would like to move to a more specific consideration of the responsibilities of the house.

The fundamental duties of the house can be stated to be at least three. First, to authorize the imposition of taxation or, to put it in the jargon of parliamentary language, the business of ways and means.

Mr. Stanfield: Is this the order of importance?

Mr. Macdonald (Rosedale): I point out to the Leader of the Opposition (Mr. Stanfield) that I do not know whether it is a principle his party would follow, but it is one that this party will follow, that on the whole we should not spend the money before we have it. Second, to authorize the expenditure of revenues so obtained by taxation—that is called the business of supply, the appropriation out of the public funds of moneys for government purposes—and third, to enact changes in our general public law, that is, those parts of our general public law other than those two financial aspects, which for the purposes of my remarks I would like to refer to as the ordinary legislative business.

The remarks with which I should like to begin in more detail relate to the business of supply, because essentially it is the question of supply which provides the anatomy of the parliamentary year. It is the bringing down of the estimates, dealing with the estimates and their subsequent voting, which to a very great degree determines the character the session will take. At the present time the items of expenditures proposed by the ministry—that is to say, the estimates—are examined by a committee of the whole house known as the committee of supply.

To provide those generally opposed to the ministry with opportunities to attack the ministry and to criticize its policies, the motion that the Speaker leave the chair to go into committee of supply has been made debatable on a fixed number of occasions. Each of these debates is limited to two days, always a Monday and the following Tuesday, and the provisional rules which hitherto were followed permitted a debate on four such occasions, making a total of eight days.

This meant that during each normal session the opposition could raise, by means of an amendment, four specific subjects on which it wanted a debate and a decision, entailling either an expression of confidence or non-confidence by the house. Once a group of estimates has been given to the committee of supply they are gone over, item by item, by the entire membership of the house. Under the 1962 version of the standing orders there was no time limit stipulated for this item by item consideration. Under the provisional version the time limit of 30 days was prescribed for all the business of supply except the final supplementary estimates.

The importance of the business of supply is clear. First, it is one of the ways in which the house can assert the constitutional principle that a ministry is responsible to the house both in relation to its general conduct and the detail of its administrative work. Second, the business of supply, particularly the debates on supply motions, provides the opposition with an opportunity to bring before the house matters which may be of importance but which may not for the moment have been included in the government's program. Third, the business of supply provides members with an opportunity to examine, to comprehend and to influence the executive work of the various departments and agencies.

There has been criticism of the practices we have followed in dealing with supply. The criticism of the present practices seems to centre around three major points. First, it is said that the committee of supply is too cumbersome for the intensive study of the items in the estimates. Members are inclined to give speeches rather than to examine. Ministers often, rather than dealing with the questions as they are put, wait until the end and give a long reply which in itself becomes a long speech, which in turn may not be satisfactory to the questioners. Some items, not necessarily the most important or controversial, monopolize the time and energy of members, while others are marched through in the dying hours of a session.

The second criticism is that the four supply motion debates, based as they are on the needs of an era when the house met only three or four months each year during the winter and spring, do not meet modern requirements. Ordinarily these debates are bunched together into the spring, perhaps in successive weeks, so that the opposition must expend its ammunition whether or not it has at the moment a good target. No notice of the amendment is given, so that the real issue on the matter can only be joined on the Monday evening of the debate.

The third and final criticism is that it is said the serious study of the estimates is not promoted when as much as a half or three quarters of the total proposed expenditure already has been approved through votes by way of granting interim supply. It was probably these considerations which entered into the thinking of the special committee on procedure in 1967 and 1968 when it included the following in the report tabled in the house on March 13, 1968; the passage to

which I am referring may be found in *Votes and Proceedings* for that year, at page 764:

> Your committee believes that we should scrutinize carefully the possibility of bringing together the best in the Canadian and British practice relating to the business of supply in order to decide if the result would be more satisfactory than the system which now prevails in either country. On the one hand, we are not prepared to abandon the examination of the estimates before the money is voted; indeed we believe that a major defect of present Canadian practice in this regard is that we deal with expenditure items *ex post facto*. If this practice is continued we probably should simply convert the consideration of the estimates into the examination of general and continuing programs. On the other hand we do not think that the use of weeks of supply days as presently carried on exerts much control over ministers and departments or is of any genuine value to the opposition. The British practice, while it avoids discussion of the estimates items, has the great value that it permits the opposition to explore whatever shortcomings, either small or great, it detects in the policies and conduct of the ministry before supply is voted.

• (3:30 p.m.)

The committee's observations, I would submit, Mr. Speaker, lead to two general conclusions: First, that the study of estimates should take place in the standing committees around April 1 of each year, that is to say, the date on which the fiscal year of the government commences; and second, that a specified number of days in each annual session should be made available to the opposition for debates on opposition motions, that is to say, on subject matters which are the specific choice of the opposition.

In its fifth report the committee proposed that the main estimates be referred to the standing committees as soon as they are tabled, that is to say, some time fairly early in February, if the house was not to find itself dealing with the estimates in the following autumn. It should therefore conclude its work on those estimates before the summer. Consequently, it seems reasonable to suggest that the standing committees should conclude their work before June 1.

In the United Kingdom, the days available to the opposition for its own motions are sometimes called supply days and they really parallel our supply motion days. Often, to avoid any suggestion that the supply days are confined either to the estimates as a whole or to specific items of expenditure, these days are referred to as allotted days or opposition days. Therefore, when I use that term that is the practice I will be referring to, namely, the days on which the opposition picks a subject matter, the subject matter not being confined to any specific item in the estimates.

Consideration of Procedural Changes

The special committee of this house which sat early this year and last year envisaged the annual sessions as beginning in the autumn. This would mean that some time before or after the Christmas recess, but not too soon after the votes on the address in reply to the Speech from the Throne which we just concluded, there should be a number of supply or opposition days so that the opposition could have the opportunity of stating its views on public questions of its choice.

On the other hand, the ministry is in need of getting interim supply before the start of each fiscal year. Therefore the opposition should have an additional number of days before the end of March. The number should take into consideration the fact that the debate and votes on the budget normally come in April, and therefore in the spring period there would be other opportunities to make this type of general observation.

Since the supply sought in the main estimates should be granted or denied before too great a part of the fiscal year has passed, that is to say, before the summer break, another set of opposition days should be planned for the months of April, May and June, and especially for late May and June, because of the absence from that period of other opportunities, such as the debate on the address and the budget, for the opposition to take the initiative on this type of matter. Moreover, because the reports prepared by the standing committees on estimates would be ready by June, it is conceivable that the opposition would select one or more of its opposition days specifically for the purpose of debating a report from a special standing committee on estimates which may be of particular interest.

One of the critical questions is how many supply or opposition days should be allotted to this purpose, and this is a question which is not easy to answer. I would suggest there is no particular number of any magical significance. For example, under the provisional rules there were eight supply motion days, but there were also under those rules 30 additional days for the examination of the estimates in committee of supply. On the other hand, at Westminster there is a total of 29 days, but there the current year's estimates are not studied intensively, as would be possible here in Canada.

It may be contended, of course, that there should be no time limits whatsoever, that is to say, that the debate on supply should continue until each and every member has been fully and finally satisfied with regard to his

questions on the estimates. However, the constitutional requirement is that the House of Commons be satisfied, and the House of Commons makes its decisions by majority votes. In other words, the standing orders should give the majority of the house opportunities to decide whether or not it supports the ministry. Here again the special committee, this time in its fifth report which was tabled on March 29, 1968, made this general observation with respect to the question of supply:

> —the house should decide whether or not to grant supply at regular intervals so that (a) the opposition's opportunities to criticize are not concentrated in any one part of the year and (b) the ministry is not distracted by constant uncertainty about supply.

I would submit that the opposition should have as many supply days as it needs, but it should not have the embarrassment—and I am taking advice in this regard from certain distinguished members on the occasion of their visit to Westminster—of having to use more days than it feels justified in using. The problem in stipulating this number of days in the rules, as I had the opportunity of stating in the throne speech debate, is that the maximum inclines to become the minimum. For example, an extra five or ten days, perhaps running on into July, are not particularly crucial for the government. Finding the best number of days really matters more to the opposition. They should have as many supply days as they need, but they should not have the embarrassment of having to use more days than they would feel justified in using. If that proposition is questioned, I would refer to some of the observations of the group which visited Westminster.

Another difficult problem concerns the significance of supply day motions from the standpoint of revealing whether or not the ministry continues to have the confidence of the house. If the question of confidence were clearly entailed in every vote on a supply day, the opposition might be made to appear overly zealous to bring on an election, and this might be politically embarrassing. Moreover, if the question of confidence were clearly entailed in every vote on a supply day, a minority government probably would be far less able to survive than under the present arrangements.

Mr. Woolliams: Under Pearson's rules you would have no trouble.

Mr. Macdonald (Rosedale): We will have no trouble anyway, my friend, because that unhappy condition no longer exists.

[Mr. Macdonald (Rosedale).]

Mr. Baldwin: Wait until Mike hears about that.

Mr. Macdonald (Rosedale): Probably four or six occasions—I see I have cut my friends to the quick—using the example of the number of supply motions under the old standing orders, would be sufficient to make the ministry responsible without promoting instability.

The next of the three main subject matters I will refer to is the question of the business of ways and means. The committee of supply approves the appropriation of money for specific purposes but the money has to be found, and this is the business of the ways and means. There are some respects in which the procedure with respect to the committee on ways and means, specifically in relation to its connection with the committee of supply, appears to many hon. members as a pure anachronism in that it really adds nothing to the procedure of the house, and therefore could quite acceptably be abolished. Perhaps the greatest significance of the committee of ways and means is in relation to taxation where the committee in some ways appears to have become redundant. Let us review the process which is commonly followed when the government puts forward its taxation measures. The process begins when the Minister of Finance moves that the Speaker leave the chair for the house to go into the committee of ways and means. It is on this motion that the minister delivers his budget speech. That motion is ordinarily debated for a period of six days, and once the new budget motion is carried the various resolutions put forward by the minister are debated in the committee of ways and means. If each resolution is passed, a bill is then founded on it, and each of these bills goes through all the normal stages of the legislative process.

The minister's tax proposals and the formal resolutions are then discussed to some extent, perhaps quite fully, during the budget debate. They are discussed again in the committee of ways and means in the form of resolutions. They are discussed again during the enactment of each of the tax bills. I would suggest that it is really questionable if the house needs all those opportunities to re-examine each of the proposals. Would it not perhaps be better, for example, to give up the committee of ways and means stage and use that time for a fuller discussion at the second reading or even third reading stage when the members will have the taxation bills in detail before them?

• (3:40 p.m.)

Sometimes it is said that the committee of supply and the committee of ways and means were originated so that members might have detailed discussions of proposals. But to say that is to confuse the origin of these two committees with the origin of the committee stage in the legislative process. I think this provides a good example of the manner in which our parliamentary procedure has evolved.

The committees of ways and means and of supply began as devices by which the commons could evade the watchful eye of Mr. Speaker, who at that stage was the King's reporter. The members refused to discuss the King's requests for supply until they had had an opportunity to consider them in private, that is, in the absence of Mr. Speaker. In the old days they would go into special committee by themselves and examine both the purpose for which the King proposed to spend the money and the ways and means of raising the money demanded by him. I think it is now reasonable to ask, given the origin of these two practices, whether the committee of supply really gives the house adequate insight into the estimates of the departments, and whether the committee of ways and means adds much to the very full study of the government taxation proposals which would be available to it under the ordinary legislative process.

The third topic which I mentioned at the beginning is what I refer to as the ordinary legislative process. I mean by that the process by which motions are made for three readings and for a committee stage of each bill. I might add that in case of certain bills involving the expenditure of public money there is in addition to the three readings and the committee stage a fifth stage, that is to say, the resolution stage preceding a money bill. I think there may be some measure of support in all parts of the house for the suggestion that the resolution stage on a money bill has also become redundant under our current parliamentary procedure. I assume that most members have no complaints about the first reading stage at which the bill is printed. The criticisms appear to be centred around, first, the second reading stage and, second, that stage when the committee of the whole considers the bill.

The idea prevails at this time, and it seems to me it has prevailed as long as I have been in the house, that once a bill has achieved second reading it has passed its main hurdle in the house. It is said that the house has accepted the principle of the bill and therefore all else is mere detail. The view prevails that a member who voted for second reading would display inconsistency if he failed to support the bill on the motion for third reading. I am wondering whether this conception of the legislative process is conducive to the best use of the time of the house or really conducive under the circumstances of the 20th century. I think this attitude toward second reading encourages long debate before members have had an adequate opportunity to see the bill, and in particular it encourages, at that earlier stage of the bill, acceptance of a final decision in respect of the bill rather than postponing it until after the house has had an opportunity to study the bill in committee of the whole or a standing committee.

Perhaps our legislative process would be better if we regarded the second reading vote in a rather narrow scope, first, as deciding what the general principle of the bill should be so that we would then have a basis for deciding what amendments might be relevant, in other words, deciding whether it was a bill in respect of oranges and that amendments relating to apples or pears would not be relevant, and, second, as allowing a decision on whether the house was prepared to take time for a detailed further study of the bill and amendments. Perhaps something would be gained, not only in terms of time but in the value of our parliamentary process, if we could take less time at the second reading stage and more time at subsequent stages.

It is obvious, I suggest, that if a bill is examined by a standing committee it should not be necessary to examine it again subsequently on a clause by clause basis in the committee of the whole. My inclination would be and I would recommend that heavy emphasis should be laid on the report back from the standing committee after a clause by clause study. Emphasis should also be laid on third reading at the time when the house and those particular members of the house who have been following the legislation closely—

[*And there being a temporary lighting failure in the chamber:*]

Some hon. Members: Hear, hear.

Mr. Stanfield: Some government!

An hon. Member: Now we are all in the dark.

[*And the lighting failure having been corrected:*]

Mr. Baldwin: It is because we have a good opposition that the lights are now on again.

Mr. Macdonald (Rosedale): I have always regarded hon. members as having the faculty of carrying on in the dark, but I am glad to have not only the physical but the intellectual opportunity of enlightening hon. gentlemen.

Mr. Baldwin: I am waiting for you to start.

Mr. Macdonald (Rosedale): In addition to questions of procedure, the committee is also being asked to review the operations of the standing committees of the house. There will be a number of additional matters to be considered, for example, the question of emergency motions filed by the government and by the opposition, the procedure to be followed in respect of statements on motions, and other matters in respect of which it would be useful to have the judgment of the committee on changes to our standing orders. I am sure that representatives of other groups in the house will in turn have proposals for changes in our procedures.

It might be appropriate at this time to indicate that in addition to changes to the standing orders of the house the government will put before the house from time to time certain additional changes in its own procedures which it believes will facilitate the public business. These would be changes which do not in themselves require changes in the standing orders. I had the opportunity last night to refer to one of these proposals, that is, in respect of establishing the practice of making periodic weekly statements, on my own part, with questions by opposition house leaders, as to the house business for a week.

It will also be the intention of the government to work out a roster of attendance in the house for ministers of departments during the question period so that it would not be necessary for all ministers at all times to be present in the house. It might then be predictable when certain questions should be asked. I should emphasize at this particular point it is not intended to follow the practice in the British house of giving advance written notice but rather to follow the practice in this house of having spontaneous topical questions asked. This practice would be preserved, although such questions might not necessarily elicit a response on that particular day. Hon. members may possibly say there is some unlikelihood of ever obtaining an answer.

Mr. Stanfield: May I ask the minister to make it clear that in respect of the question period the decision would be made unilaterally by the government rather than being referred to the committee being established today?

Mr. Macdonald (Rosedale): That is correct in respect of the attendance of ministers. The proposal is that this would be decided within the framework of ministerial attendance at cabinet committees and the performance of other duties, so that on a periodic basis the attendance of ministers in the house would be assured. It is my understanding that this would require no change in the standing orders.

In the same way there will be certain proposals which the government will be putting forward by way of legislation as opposed to changes in standing orders. These will have an effect on the business of the house.

There has been some criticism in recent years about the manner in which we have handled private bills. My colleague, the Minister of Consumer and Corporate Affairs (Mr. Basford), will likely have the opportunity later this session, or perhaps at the next session, of bringing forward a measure to provide for the incorporation of certain of these private companies by letters patent as opposed to private acts as is now the case.

Mr. Diefenbaker: Would the minister allow a question at this stage? If the plan the minister has in mind is brought into being, certain ministers would be present in the house only on such days as they would apparently deign to come. Would there then be a minister acting on those occasions on behalf of those absent ministers to answer, using the expression of the minister, topical questions as they arise?

• (3:50 p.m.)

Mr. Macdonald (Rosedale): Mr. Speaker, that is a question to be considered. It seems to me a more logical organization of the time of the house, if a minister is not present one day but is very likely to be present the next, that the question might be answered the following day. As to the advisability of having acting ministers, that is another possibility to be considered.

On behalf of the government may I say that we welcome from all hon. members, apart altogether from the proposals that they will be making to the house regarding

changes in standing orders, further suggestions which would improve the manner in which the house goes about its business and with which the government can co-operate.

In conclusion, Mr. Speaker, may I say that we have inherited in our parliamentary system of government an exceptional institution. It is exceptional by that ultimate standard, that it has been successful in providing effective government, at the same time providing protection of the rights of individuals. But even a casual examination of the history of the British system of parliamentary government reveals that its essential genius lies, it seems to me, not in the fact that one final set of proposals have been set down and followed thereafter but in its adaptability. Because procedures could be varied and have been varied from time to time, the institution is able to change with changing circumstances.

In this respect, Mr. Speaker, parliament may be likened to a living being, not a dead and ossified set of procedures established for all time but an evolving institution capable of growing and altering to meet the new demands of our changing society.

In this committee, therefore, we are establishing for this house and for our parliamentary institution another means of such growth, a source of adaptation of procedures that we have inherited to the demands of our new and increasingly complex age. It presents for us in the house both an opportunity and a challenge to make certain that we have tended carefully our great inheritance in our time.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we in this party welcome this opportunity to discuss in this chamber as it should be discussed the question of the procedures under which this house carries on its business and maintains the great and noble character of the institution it has become and which I fervently pray it will continue to be. It is true, sir, that there is need for change, that there are, as the minister has said, certain obsolescences which have crept into our procedures. The characteristic of longevity is not to suggest that some of the principles, not so much the reflection of those principles but the principles themselves, should be eternal and with us forever. I might say that certain habits of the human race have continued. Adam and Eve started one which has continued quite acceptably up till the present time, so far as I am aware.

In connection with these proposals, Mr. Speaker, I am quite convinced from my discussions at various times in and out of the house, both with members of my party and with members of other parties, that there are changes which will undoubtedly be acceptable to all. On the other hand, I am convinced from what I have seen and heard that there are changes that the government is going to propose which will not be acceptable. This is where we will part company from the government. This must necessarily be so, Mr. Speaker. The government and the opposition must, for the good of the country, approach the issue of the transaction of business in this house from a completely different viewpoint.

Take legislation, sir. Legislation is enacted on the advice and assent of the Senate and the House of Commons. Many governments, particularly this government, I feel, barely tolerate assent and are very unhappy about advice. This is one of the areas we must now approach in order to see to what extent the practices of this house can be enlarged to permit a greater measure of advice, change and adaptation by the house as a whole of government proposals.

Not for one minute would I ever suggest, Mr. Speaker, that the initiative must not at all times flow from the government. The purpose of government is to govern. In the kind of society in which we now live, and having in mind the responsibilities of members of this house on both sides—I speak now for those private members who sit behind the minister and on this side as well as for members of opposition parties—there is ample opportunity for members to participate to some extent in the legislative process once bills and other measures have been brought into the house. The proposals that we will make will have some connection with this idea.

When the government sees fit to introduce a measure and brings it to the stage of second reading, obviously it is a measure that has worked its way up from the bowels of the civil service, has received final approval so far as the government is concerned, and probably has political sex appeal. Once the bill comes to second reading it is a beloved child of the government. The government, as is the custom of all parents, will not tolerate any suggestion that there is any hint of imperfection or deformity in this child.

I think this has been one of the great difficulties in the legislative process. Too many times have too many statutes gone through this house without the government receiving those proposals that private members are well able to make and are probably

better qualified to submit than the civil service. Who better than the private member in close touch and communication with his constituents, the people of Canada, can consider and survey the impact of a legislative proposal, how that piece of legislation affects the people he represents, and how will it affect all the people of Canada? I think there is an opportunity in the legislative process, without to any extent at all impairing the initiative, prerogative and responsibility of the government, to permit this to be done.

During the last four years 210 statutes have been passed. Of these, if one excludes appropriation bills and new bills originally passed, 93 measures were in fact amending statutes. As I said the other day, no government, no group of people, can possibly cast their minds far enough ahead to prepare for all of the contingencies and eventualities which human life and its vicissitudes may bring about. However, Mr. Speaker, I suggest to you, not only as a member of the house but as one who, together with a great number of my colleagues, has spent years practising before the courts, that there are innumerable cases of statutes coming out of this parliament and out of provincial legislatures which are half-baked, ill-conceived, ill-prepared and which do not attain the object for which they are designed. This situation can be cured by giving the members of this house through various media which I hope will be suggested to this standing committee, an opportunity to put in a more concrete and eloquent way, a way which will receive some attention from the government, proposals which will better the legislation enacted by this parliament.

• (4:00 p.m.)

I suspect we all remember the story of the Procrustean bed and of the robber who placed his victims on it. If they were too long when he placed them on it he cut their feet off; if they were too short he had them stretched. That is often the type of legislation to come out of legislative bodies. It is much simpler to change the size of the bed. If we do that we shall obtain better legislation.

More consideration must be given to the views of individual members of this house. We must not permit the unique and difficult circumstances at present facing us to hasten our decision. I repeat and emphasize what I said earlier during the throne speech debate: we must not permit the government or any of its members to hasten us into a decision with regard to rule changes which will be designed primarily to fit the unusual circumstances existing at the present time.

Since last December, when the then prime minister, Mr. Pearson, indicated his intention of resigning his position, we have had no effective government. Some measures were passed, there was some attention to business, but we have had no real government. Much of the legislative backlog and consideration of estimates which awaits us derives from this fact. Because of the action or lack of action of the government of that time we went from crisis to crisis up to the end of last March. Under normal circumstances we should have returned after the Easter recess prepared to deal with the estimates and other legislative proposals then on the order paper. That did not happen, for obvious reasons.

Today we recognize the difficulties of the government. Because of a political decision made by the present Prime Minister and his supporters we find that we are now faced with an overloaded legislative program, many parts of which we recognize as being essential for the people of this country. That being so, we shall continue to give, as we have given, our utmost measure of co-operation despite the fact that the entire fault for our present circumstances lies on the shoulders of those who are on the government side of the chamber.

Some hon. Members: Hear, hear.

Mr. Baldwin: A similar situation prevailed in the longest session this parliament has ever known, the session of 1966-67, during which the house sat for almost 250 days and passed, I believe, 83 bills. A survey of them can be a very interesting exercise. Seventy eight of those 83 measures were each passed in one day. It took one day each for those measures to pass all stages, and in parliamentary terms one day is roughly equivalent to between four and four and a half hours. Five bills of that session took 80 days to pass. Those five bills included the decennial revision of the Bank Act, then two or three years overdue, the unification of the armed forces bill, the old age security legislation, medicare and the transportation bill, each being lengthy and extremely controversial. Their passage involved significant and substantial legislative changes. As I say, they were long, difficult and complex bills and, if I am not mistaken, three or possibly four of them were never sent to a committee. The transport bill went to a committee, and though it took many days to pass throuh the house it would have taken

much longer if it had not first gone to a committee where amendments were proposed and accepted. While in its final form that bill was not the best that could have been produced by the house, its consideration in committee cut down the time of passage through the house.

The estimates went through in the time then allotted under the provisional standing orders. I think the government of that day must take the responsibility for the length of the session and for the fact that five measures, which were of great complexity and difficulty, took the time they did to pass through the house.

The same remark might well apply to our present situation. We shall be asked to deal with measures such as the omnibus amendments to the Criminal Code involving five isolated and difficult problems, any one of which ought to be the subject of a separate measure and every one of which involves the conscience and serious consideration of members of this house. Each of those amendments, as I say, ought to be included in a separate measure.

The minister talks about the reform of the legislative process, and I agree with him. There is a lot of room for improvement. But, I ask, in the name of heaven how can the minister and the government expect members of the house to consider briefly the second reading stage of a bill such as the omnibus amendments to the Criminal Code involving five important, difficult and controversial subjects, to say nothing of the 200 or 300 sections, which in a substantive or procedural way may deeply affect, if adopted, the lives and liberties of the people of Canada. That is the position. I do not know what the government will do. I do not know what the Minister of Justice (Mr. Turner) will propose. Is the matter to go to a committee and will witnesses be called? That is the sort of thing the select committee on procedure will need to look at earnestly and seriously.

I repeat the proposition I made. It is not good enough for members of this house, when approaching a study of the reform of the rules and regulations which govern our conduct in this house, to consider reforms with minds oriented only toward a consideration of the difficulties which face us at present. I hope the minister and the government agree with me. We must take the long view.

What will be the situation two years from now or three years from now? The Prime Minister called an election and we are now faced with a tremendous backlog of legislative and other parliamentary business. We cannot tailor our rules simply to expedite the passage of this business or to cover this situation. If we do, we shall be very sorry indeed.

Those are the general comments I wish to make. There are some particular areas I wish to cover. Other members of our party may have other comments to make. I wish to deal with the question of committees. I agree that there is a place for committees in this house. More use might be made of them, though not to the extent that use is made of them in the United States.

In my hand I have reports of two United States committees, the very prestigious foreign affairs committee of the Senate and the joint economic committee of Congress which has members from the House of Representatives and the Senate. The latter committee comes up with proposals which are issued in a statement similar to or the equivalent of a white paper tabled by the Minister of Finance in parliament. It is probably given even greater consideration than the report of the economic consultative committee established by the President. I do not think it is part of our parliamentary tradition that this should be done. However, I believe we could go a lot farther than we do today.

• (4:10 p.m.)

Committees must not be frustrated by a refusal on the part of chairmen to bring committee reports into the house. Committees must not be frustrated by the refusal of the government to call them together and set them in motion so as to carry out the terms of reference assigned to them. In this connection I need only refer to the public accounts committee which is faced with the formidable task of dealing with three annual reports by the Auditor General before the session is over.

Again, a committee having made a report and it having been brought before the house, there should be reasonable opportunity given for the report to be debated. The government is not obliged to accept it, of course, but if a committee has struggled with the problem placed before it and brought a report forward there should certainly be an opportunity, within reasonable limits, of debating it. These things, plus the establishment of reasonable budgets for committee activities, are essential if committees are to do part of the work of the house within the terms proposed by the minister.

I agree we have now reached a stage where certain aspects of our legislative program are not dealt with most effectively and efficiently in the house. Committees can play a considerable role. The committee on estimates is an apt illustration. But not for one moment do I entertain the idea that this house should at any time or under any circumstances delegate to a committee of the house the decision-making power which can only reside here in this chamber.

Some hon. Members: Hear, hear.

Mr. Baldwin: Similarly, when a committee has made its report it is the house which must decide. Again, responsibility cannot be abdicated. I agree that there is an inquisitorial and investigative process which can best be discharged through the medium of the committee system. I agree that by using the committee system hon. members can add to their knowledge, provided, of course, that other facilities are made available to them. A while ago the minister said we should not spend our money before we get it. I can assure him we shall not engage any research staffs until we have seen the estimates.

Hon. members undoubtedly have an opportunity to become more knowledgeable when they can sit across the table from a minister and direct questions to him, provided, of course, that the minister is a little more informative than he is in the house, and when they have the opportunity to examine expert witnesses. I am confident that in these circumstances members come back to this house better prepared for a crisper, more intelligent and, I would venture to suggest, shorter debate directed to the principles, and it is to the principles that this house should always be directing its attention. We ought surely to make use of the committee system but we must stop short of giving to committees rights which only this house can exercise.

I still entertain the utmost hope of achieving a measure of reform along the lines I have suggested. I must admit, though, that I am a lot more careful now in this regard than I was a year ago. The authoritarian trend which this government has indicated, its almost grotesque obsession with secrecy, must place a responsibility on all members of the opposition parties to be most careful when it comes to giving up rights which are essential for the preservation of this institution and for the protection of the rights of the Canadian people.

We talk about the question period. On that score I would say to the hon. gentleman: we all accept the fact that ministers of the crown have multifarious duties and that it may be necessary for them on occasions to be elsewhere employed in the business of the country. The government has the right to say that certain ministers will not be present on certain occasions. But we would strongly oppose any suggestion that, unilaterally, the government should decide that certain ministers would be absent on certain days. This could mean that if a crisis occurred on one of those days when a minister was not here the house would be obliged to wait until he returned.

Mr. Macdonald (Rosedale): Would the hon. member be agreeable to trying this out on an experimental basis to see whether the public interest would be served?

Some hon. Members: No.

Mr. Baldwin: I would be agreeable to the matter being discussed in the committee, where the whole subject of the question hour and the approach to be taken toward it could be studied. I think we ought to accept that under the federal system there is greater need for questions which are possibly more regional in character than they would be under other systems. We have superimposed parliamentary government and the party system upon our federal structure and I think the discipline of the party system sometimes inhibits the airing of problems which have a regional background. Though I believe the question period could be improved upon, an opportunity does exist through this medium for members from all parts of Canada to ventilate their grievances and attempt to secure remedies. Earlier today we were dealing with the security problem. Here is a situation where, if the security of the nation is threatened, the person involved would obviously be the subject of prosecution. But if the security of the nation is not involved, then, equally plainly, parliament and the country are entitled to a greater measure of information than was given today.

Mr. Stanfield: And every day.

Mr. Baldwin: My leader says "every day". I bring this matter up specifically as an indication of the failure, in part, of the question period and as an example of the necessity for making improvements to it in order to permit members of this house to discharge their responsibility to their constituents and to the people of Canada to scrutinize and bring into the searching spotlight of publicity the actions of this or of any government.

We observe with concern that government grows ever stronger and stronger—and government is more and more coming to mean the office of the prime minister. Add to this the implications of the discovery by creators of television public affairs programs that politics and politicians can be subjected to treatment in such a way as to project an element of entertainment and there is yet another reason for our concern. The image which appears on the television screen can be so manipulated and distorted that it is sometimes more art than nature.

• (4:20 p.m.)

More and more frequently this new toy will emphasize the emergence of personalities, the cult of the individual, and somehow we will have to learn to live with it. But it does violence to the basic principle of parliamentary democracy. We must then find ways and means to seek out and bring forward counterbalancing forces to check and control the startling expansion of the Prime Ministry, an institution occupied by an individual but rapidly becoming an office which no one person is capable of understanding or directing, no matter what his qualifications.

The United States wisely provided a system of checks and balances by keeping the executive separate from the legislative branch. We do not agree with their system but they have these checks and balances. They may have made too great a fetish of it, but certainly, Mr. Speaker, the checks and balances which the private members of the opposition parties must have, retain and expand in order to keep watch on this government must not be lost in the type of parliamentary reform which is considered in the committee.

Some hon. Members: Hear, hear.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I welcome the motion that is now before the house and I did not mind the way in which Your Honour turned the tables on me and named me as the seconder of it.

I might say that not only do we agree with the motion but I agree with many things that the President of the Privy Council (Mr. Macdonald) said during the course of his speech. In fact I feel I must say to him that it is a better speech than it would have been if he had made it before we had several consultations among the house leaders. It struck me that he paid attention to some of the counter-proposals that were made by the hon. member for Peace River (Mr. Baldwin), the hon. member for Shefford (Mr. Rondeau), and myself. He did not accept all of our suggestions. There was one in particular, related to the question period, on which he did not accept our position, but generally speaking I think the minister's speech has demonstrated already the value of consultation in this field.

I welcome also the portions of the speech of the hon. member for Peace River in which he emphasized the problem that faces us with respect to time and the necessity of our including, in any changes in the rules that we make, full protection for the rights of all members of the House of Commons.

It is often said, Mr. Speaker, but I do not think we can repeat it too often, that the rules of this house are parliament's business, not the government's. The government is recognizing that fact by placing this motion before the house and by asking an all-party committee to deal with the rules of the house. We in turn as members of the opposition have an obligation not only to criticize the proposals that may be made by the government but to make proposals ourselves and to accept the responsibility of working out jointly rules and procedures that will make for the best operation of the House of Commons.

In that vein, Mr. Speaker, there are some specific suggestions that I want to make in a few minutes. Some of them may not be popular in all quarters but I think we do have to get down to the serious business of dealing with our rules. However, before I do so there are a few conceptions or misconceptions about parliament that I think ought to be cleared up.

In the first place, I think it should be emphasized that bringing in new rules, no matter how good or how far reaching they may be, is no substitute for good legislation, and I say to the government that I have a little bit of concern—perhaps more than a little bit—that it is a technocratic kind of government. It is going to foster changes in the rules. It is going to reorganize the departments of government. It is going to come along with different ways of doing things, but good legislation of substance is down at the bottom of the list. That is not good enough. It is not good enough to try to substitute changes in the rules for good legislation.

The other side of the coin, Mr. Speaker, is equally valid. Making changes in the rules is no substitute for good performance on the part of members on both sides of the house. Just as we will not let the government use the rules as an excuse for not getting its

business through, so we should not use the rules as an excuse for not being good members, for not attending to our business, for not being in our places, for not making proposals worthy of the consideration of parliament. Rules are important, but more important than rules are the legislation the government brings in and the performance of members on both sides of the house.

A second point I would like to make is one that arises out of a criticism that we often read in the press. It is a criticism that a number of members made during the course of the debate on the Address in Reply to the Speech from the Throne. It has to do with the question of talk, of speech-making in parliament. There are times when our critics on the outside, and some on the inside, speak as though talking is a crime, as though making speeches is something that should not happen in parliament. Well, Mr. Speaker, there is such a thing as too much talk. There is such a thing as burying important business in a flood of words. I said to one interested person a day or two ago, when some comments were made about the length of the throne speech debate and that eight days were maybe longer than it needed to be, that when I first came here the throne speech took a full month. That was back in the early and middle 1940's. My friend, who had been an observer of the scene in those days, replied that Mackenzie King liked it that way, that by talking and talking in the throne speech debate members did not bother him about the business of the country.

I agree that there is such a thing as too much talk, but let us not allow the press, or anyone in this house, to get away with the thought that the main purpose of changing the rules is to cut down on or eliminate the right of free speech.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): Thank God for free speech. It is the heart and the essence of democracy. Much as I am used to the formalities that we go through when we go over to the Senate to open a session of parliament, I always enjoy hearing Mr. Speaker claim from the representative of the crown the right of free speech for all members of parliament. It is when people do not have free speech, when matters cannot be discussed, that you lose democracy, that you have authoritarianism, that you have dictatorship. Free speech is something that we should have, and in any attempt to reform the rules of parliament let us not think that we are doing something valuable just because we cut down on the length of time we spend in this house.

[Mr. Knowles (Winniueg North Centre).]

I want to say also that the notion that using time is a crime or mistake does not always hold up. It is important that we use our time wisely; it is important that we use it well. But the implication I get from some criticism of parliament is that we should so organize our rules that we can do the year's work in two or three months and then go home, go about our other business or what-have-you. I think that is wrong and is not in keeping with the whole purpose of parliament. As a matter of fact, authoritative writers on the problems of parliament, its rules and procedures, over the decades have said that the important thing we must do when we talk about time is not simply to aim at saving time but to aim at making the best use of the time we have.

• (4:30 p.m.)

There is another misconception I would like to clear up, Mr. Speaker, and I hope I am demonstrating my impartiality in this field. Some of my hon. friends opposite may not believe it but I think it is no crime for the government to try to get its legislation through parliament. After all, that is what governments are elected for. They are elected because the people support their policies. The people expect them to come to parliament with legislation to implement those policies and to do their best to get that legislation through.

I think we who are members of the opposition should not completely prevent legislation getting through. On the other hand, it is no crime for an opposition to attempt to stop a government putting through something that it disagrees with or something which the opposition feels has been hastily conceived and is not really good for the country. In other words, I am perhaps spelling out in another way what I had in mind when I talked about the right of free speech, namely, that the essence, the genius, of this place is that it is a place where there is equality on both sides. It is a place where the cut and thrust of debate is the basic rule, because it is out of the cut and thrust of debate that the government tries to get its legislation through with the opposition having the right to check it as it goes through and to keep the government from doing things that are wrong for the country. That is the democratic process and through it we can achieve the best for our times.

I should like to go on to say a word about tradition in so far as it affects the rules of parliament. There are some respects in which the traditions that are behind us are extremely good and must be respected, I would go so far as to say, to the end of time. I have in mind traditions which have to do with the right of free speech, traditions which have to do with the equality of the members on the floor of the House of Commons, traditions which have to do with the right of opposition members to expect the cabinet ministers to be present to answer questions in respect of their policies and their administration.

I think of the traditions we have about debate which divide it into various stages of time. We know that a rule could be devised whereby a government proposal would be debated once and that would be it. But our tradition says no, that it is better to have a first look at it, that it is a good idea to decide on it in principle, that then it should be looked at in detail and that after all that there should be another look at it. I go along with the President of the Privy Council in respect of some of the changes he wishes to make in that regard, but I make the point that there are some traditions like those centred around the right of free speech and the general process for the passing of legislation which are mighty good.

I believe all of us in this chamber have the right to be very proud of being members of this kind of an institution. We do not need to enhance our own position by making comparisons with other types of legislative bodies. I think, however, that we have inherited from our political progenitors one of the best kinds of legislative bodies. I think the essence of it is sound. I believe we would be making a mistake if we tampered with that essence and that we would do well to retain the heart and core of it.

On the other hand, there are times when tradition can hamper us. I think there is one area in which this is the case. The President of the Privy Council alluded to it today. I refer in particular to the trappings we have built up around the voting of supply and around the question of ways and means. It is not necessary to indulge in a treatise on history to remind hon. members that the British parliamentary system originated in an era when the King was out to get all the money he could get out of the barons. The barons, who later had to delegate some of their authority, were trying to prevent the King getting the money he wanted. So parliament became largely involved in a test over this one question. Hence we had secretive types of supply and ways and means committees to discuss this kind of thing without the monarch looking on.

The result is that we have encrusted around our supply and ways and means machinery traditions which I do not think fit the 1960's or the 1970's. Even the committees that bear these names may be absolete. The struggle today is not a struggle between subjects and a king who is trying to obtain money for purposes they do not know very much about. The struggle today has shifted considerably. It is a struggle between the executive and parliament as a whole. It is also a struggle between points of view; it is a struggle among parties. I believe our own machinery should be adjusted to meet this situation. I shall come to that in a little more detail when I get down to the suggestion I intend to make.

I think it is becoming obvious that one of the areas where we must make the greatest reform is the way in which we handle the voting of supply and the providing of money. I accept the proposition, stated today so effectively by the hon. member for Peace River (Mr. Baldwin), that we must keep control of the purse strings and that if we let go our control over the spending of money we let go our control over the government. But I shall still stand here and utter what to some people will appear to be heresy. I no longer think the voting of supply is the main business of parliament.

I have heard it uttered from this side of the house a good many times that supply is the main business of parliament, and I expect it will be uttered in the course of this debate. The business of supply is important just as the control of the purse strings is important, but today the whole field of legislation and policy, what we should do for our people from the cradle to the grave, what we should do about the problems, all the way from under the sea to outer space, which face us, calls for a consideration which surely anyone will admit is just as important as the voting of supply and I think even more important. I believe that the time has come when we must find a way by which the voting of supply, the voting of expenditures of which we must approve, can be handled a little more routinely so that we have more time to focus our attention on new policies for the new problems of our times.

There is nothing new about the suggestions I am making under the general heading of the word "tradition". There are some things about our traditions which I think are so eternally good that I hope we have them to the end of time. But because we value our free speech and the cut and thrust of debate, as well as all the other things that are part of democracy, does not mean that we must retain forever a system of voting money which came out of a time in history that has long since been left behind.

Having spent a little time in clearing away what I think are some of the misconceptions which I believe surround this house and its procedures I should like to come now to the specific matters to which I think our committee should address itself.

• (4:40 p.m.)

I agree, incidentally, with the hon. member for Peace River that we must not try to fashion rules for all time on the basis of the problem of this particular fall. I also hope, despite the fact that I support this motion and the requirement that there be a report by December 1, that if we find in the next few weeks we cannot do a final job by then we will have enough sense and responsibility to say to the house: The provisional rules had better be continued for another couple of months while we work a little further on this matter.

There will be a great many details to go into, the length of time spent on speeches, the length of various debates, the question of broadcasting our proceedings by radio and television, attendance in the house, the quorum, and so on. If this debate goes on, all kinds of questions will be raised. But I would like the committee to address itself to the main problem, on which I am sure we all agree, and the hon. member for Peace River confirmed this. That main problem is time.

I would be the last one to argue that dollars and cents are a satisfactory yardstick in this area, but at least it is a suggestion. I remind hon. members that in the first years of confederation the federal government's budget was of the order of $20 million. The annual budgets are now $10 billion. That is a multiplication of 50 times. I do not think I would be far wrong if I were—

Mr. Woolliams: It is 500.

Mr. Knowles (Winnipeg North Centre): My friend the hon. member for Calgary North (Mr. Woolliams) says it is 500. I said it was

50. Whichever it is and he may be right, it does not matter.

Mr. Baldwin: What's a million, anyway?

Mr. Knowles (Winnipeg North Centre): If it is 500, Mr. Speaker, rather than 50, perhaps my next sentence has to be qualified a little. But at least I feel it is safe to say that today in the House of Commons we have 50 times as much work to do in a year as the members of the first and second parliaments did back in the 1860's and 1870's. It might even be closer to 500 times. But we cannot find 50 times as many days in a year to do 50 times as much work as they had back in those first years of confederation. As a matter of fact, the sittings of parliament in those days ran about 60 or 65 days. Indeed, for a long time there was a section in the Senate and House of Commons Act that members received their full indemnity only if the session lasted for 65 days, so most sessions did last for 65 days.

Some hon. Members: Oh, oh.

Mr. Knowles (Winnipeg North Centre): We do not have to have that kind of rule today. You cannot multiply 65 sitting days by 50 in a 365-day year. So the problem is there, the problem of time, and we have simply got to do something about it.

Another way to look at the problem is to think of the various departments and consider the government as it is today. In 1860 there were questions of railways, canals and telegraph lines, agriculture and colonization, the Post Office and things like that, but today the federal government touches every area of life.

I mentioned Mackenzie King's name a few minutes ago. I am sure that if he were to come back, or if he is looking at things through the spiritual telescope he is reported to have, he would be flabbergasted by the amount of work we have to do today. He would probably say, "You should keep the throne speech going for 30 days and let the government run the business." That is the situation today, and the amount of work we have to do will become even greater in the future. If this is the case, if our problem is time and to get done in 12 months the amount of work that faces us, what are we going to do about it? There are a great many little details we can go over, but I want to consider two general things and then reject one and accept the other. One general way to deal with a lot more business in the course of the same amount of time, in other words, to deal

with 50 times as much business in the same 12 months, is to cut down the time spent on every item, to cut down speeches from 40 to 30 to 20 to 10 minutes, to cut down speeches in committee of the whole to 5 minutes. We could do all kinds of things. We could cut down the time spent dealing with bills to one or two days. We could cut down the question period. This is one way to do it, that is, cut down the amount of time spent on each item of business, each bill, each resolution, each matter parliament has to deal with. Obviously, I do not think that is the way to do it.

We have this explosion of business, and if we are aware of the fact that we have a great deal more to do now than members had 20 years ago, let alone 100 years ago, there are three other things we could do. I press these three things and, as is usual in my way of putting things, there may be some subheadings.

In the first place, I think we must learn to delegate a good deal of our work to committees of the house. We cannot go on forever dealing with 50 to 100 times as much work as we had and do it all on the floor of the house. I think we have to strengthen our committees in various ways which I want to suggest. We must delegate more work to our committees, and having given more work to them we must place some confidence, trust, and respect in them.

I know that one idea I have about committees has not yet commended itself to members generally, but I press it again. I believe that committees at certain times of the year should be given the centre of the stage and therefore parliament as a whole should adjourn for a week out of a month or for a couple of weeks every six weeks or so and let the committees meet and deal with the many problems referred to them. As I say, they should be given the centre of the stage. I think there are times when committees should be parliament.

I think also, Mr. Speaker, that when committees have dealt with matters, whether the estimates or detailed studies of bills, that work should not be duplicated on the floor of parliament. I accept the proposition of the hon. member for Peace River that in all cases the final decision should be made here, but as for this business of sending the estimates to committee, having them gone over in great detail and then having them come back to committee of supply and gone over again—well, we can do it if we want to, but I do not think it is a good use of time.

I think the same thing about bills. If a complicated bill like the broadcasting legislation, the armed forces unification bill or the Canada Pension Plan has gone to a committee and had a good, thorough going over by that committee, we should not repeat the same process here.

I like this suggestion made by the President of the Privy Council—I forget whether it was originally his or whether we worked it out in our sessions—that we should bring back to life what was once known as the report stage. If a matter goes to committee, be it the estimates or a bill, when it comes back it should not go before committee of the whole but with Mr. Speaker in the chair there should be a motion to adopt the report. If that report includes a reference to some things that were contentious, to some changes that were made, let the debate in the house be limited. Let it zero in on those particular points. In most cases the report stage would be passed without debate. The point of the hon. member for Peace River would be followed in that the decision would be made here. I think we would be using our time a lot better and strengthening the hand of committees if we did it this way.

Mr. Woolliams: Mr. Speaker, would the hon. member permit a question at this stage?

Mr. Knowles (Winnipeg North Centre): Yes.

Mr. Woolliams: The hon. member has been here a number of years. Has it not been his experience—I refer to committees as they are set up at the moment—that the tendency is that the report of the committee is written and controlled somewhat by the majority of the committee members, who are controlled by the government? I am speaking of all governments, not just this government but all governments in the past. So the report may be coloured. In many ways, if certain facts come out of departments, all governments tend to cover their sins, or at least those people who are writing the report do. That has been my experience in some of the committees and it seems to me that is the danger in the hon. member's suggestion.

• (4:50 p.m.)

Mr. Knowles (Winnipeg North Centre): I have no doubt some committees have operated that way. I have had the privilege of working on some committees where this was not the case, such as the old age security committee of 1950 and the Canada pension committee of a few years ago. I think hon. members who are here now and

who were here then will realize that we did have a say in the making of that report. I recognize that this kind of thing can happen, but I think it happened because we have left the committees in a downgraded position. No matter what they do, it is done all over again back here. I think we should put them in the centre of the stage. We should not duplicate their work. We should give the members of those committees the research assistance which is being talked about so that they can do a good job. I also think—the hon. member for Peace River said this and I agree with him—that it should be clearly understood that the reports of committees will all be dealt with back on the floor of the house.

When a committee deals with bills or with estimates they come back and certainly they have to be dealt with here, but if it deals with a problem it has been investigating, such as birth control or breathalizers, the report may come back and there may be no further discussion on it. You do not strengthen committees by making them smaller, giving them new names, giving them research assistance and so on, if you still leave them in an inferior position. For all intents and purposes I think they have to become parliament at that particular point.

I am always happy to express my respect for what they do at Westminster. I confess that last year when I was over there with the committee, although I thought I knew all that was going on over there I was amazed at the degree to which they have got legislation off the floor of the house and into their committees upstairs. Their committees meet in rooms which are set up like the House of Commons itself and they do things in the same formal way that we do here, but it is actually possible at Westminster for legislation to go through all the stages without ever being discussed on the floor of the house itself. This is also what happens to estimates.

Let me say that there is a safeguard. If a certain number of members—I think it is ten—insist that a bill come back to the floor, this is done. I am not advocating we go that far, but I am saying that if we have 50 times as much work to do as did the members of the first parliament of Canada we have to do something about the problem of time. As I say, one of the ways is to upgrade the work of the committees, taking into consideration the various suggestions I have made.

The second suggestion that I make involves the use o a phrase which was always anathema to my good friend, the hon. Gordon Churchill, the former member for Winnipeg South Centre, namely, "allocation of time". I have a great deal of respect for the views about parliament of my former neighbour, and when one speaks of these things one feels he is still here. For all we know he may be in the gallery listening to the debate.

I support allocation of time, because I do not like closure. Closure is a bad word which we all dislike, but I know of no more effective form of closure than unlimited debate. When you spend all of the time or most of the time in a year on the question of a flag you cut off the possibility of discussing medicare in that session. That type of closure is just as effective as if the government brought in the use of the rule. I think it is not a denial of free speech, it is not a denial of the democratic process, for us to find a way whereby we can agree to the amount of time that will be given to one subject so we can go to another. There is just too much to do for us to spend all our time on one subject.

I am glad we left 15-A out of the provisional rules to which we have agreed for the balance of this year. In fact, perhaps I might be forgiven for telling the house that I proposed at a meeting of the house leaders that we leave out 15-A. I did so as a form of conciliation in which I was engaged at that time. I did so because I do not think it is a satisfactory rule for the allocation of time. I think it can be improved on. It has to be something that will be worked on in advance as an all-party proposition, in the context of a parliament which is going well because people feel they are getting their say in committees, are getting good legislation, and have a sufficient number of opportunities to speak on the floor. These are the kind of things, all wrapped together, which I think we have to do.

As I said, I had three things I wanted to give by way of suggestions about this time problem, but the time allocated to me is running out so I had better get on. I have already said I think we have to learn to delegate more of our work to committees. I want to add this postscript to what I said. If we do not delegate work to committees and if we do not allocate our time, what will happen is that we will in effect be delegating our work to the bureaucracy. We will delegate it right out of parliament. On another occasion I will quarrel over the answer which the Minister of Justice (Mr. Turner) gave to me today about an order in council passed last April

which put into effect certain customs duties—and the order in council actually says this—at the level at which they would have been had parliament passed a resolution which was on the order paper. When parliament did not deal with the matter, we forced the bureaucracy to find some way to act without us. I think this was an improper order in council.

However, the point I am making at the moment is that if we do not find ways and means of dealing with our problems by improving the committee structure and by allocating our time for the debate of various issues we can be sure that the public service—it is a tremendous service of which we are very proud but it is not elected; we are the elected people—will take over and will run the business of the country.

The other suggestion I make is—and here I will use a word which may not be in the dictionary—that we have to "calendarize" our parliamentary year. The committee on procedure of the last parliament suggested this, and the President of the Privy Council has already referred to it today. We proposed that a session should begin in the autumn and wind up in June or July, with certain deadlines along the way. I think this is all tied in with the business of delegating work to committees and of allocating our time, but I think it has to be done.

The trouble with our way of doing things for the last quarter of a century that I have been around here is that the only real deadlines we seem to have are Christmas, Easter, or some hoped for prorogation date. This does not make good sense. What happens is that a lot of legislation piles up, and then we push billions of dollars worth of estimates and all sorts of legislation through simply because it has to be done so we can get home for Christmas, Easter or a summer vacation. This is not rational. I think that surely we have the capacity, the wit and the ability to plan a year, even if it has to be within limits. I know there are emergencies for which the program must be changed.

I would put a firm limit on the time when the estimates have to be passed. They have done it in Britain and they have not denied free speech over there. We have to "calendarize" our year and we have to have certain periods when we will deal with legislation or estimates if we are to deal with them after they come back from the committees. We also have to have certain periods in which to deal with budgets. It would be good for the country and good for parliament if we worked on some kind of planned basis instead of these catch as catch can arrangements which we have at present.

As I said, I have avoided getting into a lot of details because I think the main problem is the question of time. I repeat, let us keep the traditions that we have and that are worth keeping. On the other hand, let us not be bogged down by traditions that have no relevance or meaning in our times. On this problem of time let there be other suggestions, but I challenge anyone to state the problem any more forcibly than I have, namely, that the problem is time. In fact, the other two speakers have agreed with me. If other people have other suggestions for coping with this main problem, that is fine, but if they do not have better suggestions I urge that we go in for a greater delegation of our work to committees, that we find a proper way to allocate our time so that all the business which needs to be done in a year is done, and that we arrange our year's calendar so that it makes some common sense.

• (5:00 p.m.)

I hope the committee will come back by December 1 with a report that has something of real value for this House of Commons. As I say, if we cannot complete the job by then I trust parliament will give us a little longer to deal with it. I also hope this will not be the last committee on rules and procedures. In fact, as I have said on previous occasions, the last rule of parliament will never be written. Democracy is not a dead thing, it is living, and it will go on being changed and improved as time goes on. Our job, however, is not to worry about the changes to be made in the year 2000. Let us address ourselves to the changes we can make during this session of parliament, that will make it a better one. Having made it better, I hope we will get and pass legislation worthy of this institution at its best.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, as for us, we welcome with satisfaction the statement of the President of the Privy Council (Mr. Macdonald) about the discussions which have already taken place with the various house leaders with regard to the reform of the parliamentary procedure.

I think the time is ill-chosen to criticize our procedure because the committee will see to that. It will also have to make suggestions which will enable us, after December 1, to find out about the new procedure which will

make it possible for us to work more efficiently. The new procedure will have to strive—and that is what it must aim at—to increase the efficiency of the house, because often in the past the public and even the members of parliament have criticized the slowness, the inefficiency of the house or, often, the insufficient time available to deal with the business of the house.

At the same time—and that is the main point I want to raise today—this procedure should also enhance the prestige of members, in short emphasize their role as legislator and not as civil servant. I think that the former procedure considered the member mainly as a civil servant while he should normally be a legislator. I know it is difficult to develop and put forward a new procedure which will be faultless, but that is not a reason to attack the existing procedure, so as to enable parliament to do more in less time. That is why we are going to co-operate with the house leaders, to come to an agreement which will permit the development of a process enabling us to pass legislation faster and put forward more appropriate bills before the problems of our country get worse.

Thanks to our procedure, I noticed in the past—despite my little experience in this house—that parliament often found solutions to very serious problems, but because of the slowness of procedure, these solutions were so long delayed that the problems were getting worse and worse.

The President of the Privy Council mentioned that our present procedure took too much time. He also made another remark which seemed to contradict the first one, namely that the members did not have the time necessary to study the legislation in depth, that they took too long. That is true. He is right about those two points but, on the other hand, there are reasons for that. If the honourable members are unable to study the legislation in depth, there is an explanation.

First, the member has to perform his legislative duty and, unfortunately, to act as a civil servant. He has to make inquiries, study reports and look into all the royal commissions the government has set up. He must also, from time to time, participate to the various parliamentary associations and, therefore, he has to take different trips.

He also has to examine all the briefs submitted by various groups. Some of them originate from members of Chambers of Commerce or various groups in the country. He also has to meet people and ascertain the work which is done, at the provincial level, in the legislative field. He also has to do part of his research himself. He must be well informed in order to keep abreast of Canadian policy, and even the international policy. He must sit in the house and attend the various committee meetings. We say that if the new procedure is passed, committees will expand in future, they will become more important, more powerful and they will automatically require greater preparation on the part of the members.

This is my complaint. If we lack the time and if we devote too much time to routine procedure, we will not have any time left for consideration in depth. I will point out now what is mentioned in the Speech from the Throne with regard to the official opposition:

> —So that the Official Opposition, to which we, in Canada, give formal recognition as a vital part of our democratic process, as well as the other parties in opposition, may be in a position to cope more effectively with the heavy load of action and decision each session must face, you will be asked to make new provision for the Official Opposition and the other parties in their parliamentary role.

It is all well and good to talk about passing a new procedure—and we are all for it—in order to expedite the business of the house, but we cannot ask the members to do more just with the tools available to them at the present time.

For instance, I would point out that the United States, our neighbours to the south, have 435 members of Congress and 100 senators, that is a total of 535 elected representatives. Those elected representatives are assisted by 8,000 employees who represent an average of 15 officials appointed for research or committee work for each member of Congress or the Senate. This system is intended to facilitate the role of the elected representatives as legislators in order that they may devote their time to the welfare of the population. Mr. Speaker, this leads me to say that our present procedure is antiquated—and we all agree on that—because we have come to the point where we want it altered, improved and modernized. Besides, we have too many civil servants to enforce our legislation but we do not have assistants, the tools, the civil servants or the scientists to help us prepare our legislation.

A member of the house must do all his office work, do his part as a member of the house in his constituency, prepare and control legislation in its various stages and attend committee meetings. However, he does not have the tools permitting him to act as a true

legislator, and that is why speeches in the house are often too long. I agree with the president of the Privy Council that the speeches are often too long, because they are badly prepared. We lack the necessary research personnel and we cannot do the work in depth, because we cannot do everything and still discharge our duties properly.

If we want the members of this house to act as legislators and statesmen, we must give them the necessary means. We have put particular emphasis on the passage in the Speech from the Throne which shows the intention of putting such means at the disposal of the opposition in order to allow its members to help the government when it presents good legislation, to help it in its legislative work and, at the same time, make constructive criticisms and express their own views.

My main point today is that our parliamentary procedure and rules will have to be amended in that direction. We will increasingly have to act as legislators instead of civil servants. Therefore, the new procedure will have to give all the members of this house, whether they sit on the left or on the right of the Speaker, the tools to act in their true legislative capacity.

• (5:10 p.m.)

[*English*]

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, there are a few matters to which I thought I might refer, some of which have not been dealt with. I crave the indulgence of the house to make observations regarding certain matters that I feel ought to be brought to its attention.

The hon. member for Winnipeg North Centre (Mr. Knowles) has said that no longer is supply of first importance for parliament. That view is not consistent, I submit, with the general acceptance of the principle that parliament must keep a firm hold on the pursestrings of the nation. All of us want to make parliament more effective; that has been my objective through the years. I spoke on this subject in 1965; on May 20 I stated that I believed in reform to meet changing conditions without in any way destroying the mission of this house.

There have been improvements, Mr. Speaker. The designation of yourself, sir, as the Speaker of the House for a second parliament was one of the most forward steps that has been made to bring about in this institution the assurance that in debate decorum shall be maintained and, above all, that the rights of members of parliament wherever they sit shall not be denied.

It cannot be emphasized too much, Mr. Speaker, that every member in this house, whether recently elected or not, whether a member of the privy council or not, must have the opportunity of placing before the house his views on behalf not only of his constituency but of his country as well. There is no more important debate that can take place in this house than the strengthening of this institution, without which freedom cannot survive. I do not say this by way of criticism, Mr. Speaker, but this afternoon the number of members present, 40 or 50, does not indicate that there is very general recognition of the necessity for maintaining the greatness and supremacy of this institution, for bringing about needed reforms while at the same time assuring that the great traditions of the past that preserved our freedom in two world wars shall be upheld. It was this institution, Mr. Speaker, that between 1914 and 1918 gave the lead. It was this institution that between 1939 and 1945 gave to the people of this nation that determination which brought about, in alliance with those who were associated with us, the freedom that is ours.

I am not here to say that members should be in the house, Mr. Speaker. But one of the major criticisms of this institution is that members are not in the house. No one is guiltless in this regard. People come into the gallery and when they come out exclaim: "What an institution this is! There was scarcely anyone in the chamber". And so they join that galaxy of criticism that has become so popular in this country and in other countries.

Criticism is not new, Mr. Speaker; it has been said over and over again over the years. Some there are who believe that they are actually the discoverers of the shortcomings of this parliament. Those who have that view do not read history. One has only to go back to 1661 when Samuel Pepys stated:

> —how beastly things are carried on in parliament—they oppose all things that are moved by serious men. They are the most profane, swearing fellows that be heard in this life, which makes me think that they will spoil all and bring things ruinous about.

That was in the days of the Charleses. What about modern criticism, Mr. Speaker? I

think of Charles Dickens. He sat in the gallery of the House of Commons for years and he wrote of parliament:

> This great dust heap of Westminster, laughing, coughing, oh-ing, groaning, a conglomeration of noise and confusion. No other place in existence is like it, excepting Smithfield on a market day, or a cockpit in all its glory!

The critics were about then, Mr. Speaker. I think of Robert Louis Stevenson, who said: "We all know about parliament and we are ashamed of it". We are now in the year 1968 and in Canada and in Great Britain the same criticisms are being made. Those who know not parliament feel the greater qualified to criticize the institution!

Major criticisms were mentioned this afternoon by the hon. member for Peace River (Mr. Baldwin) and others who participated in the debate. For example, it is alleged that we waste time. One would think that this institution was a meandering one in which legislation is not passed expeditiously. The critics contend that we talk too much. To use the words of the hon. member for Winnipeg North Centre, that is what parliament is for. We are not here for the purpose of turning out masses of legislation. We are here for the purpose of preserving the freedom of the average Canadian and for seeing to it that no man, however humble, is denied equal rights with others.

I speak as one, Mr. Speaker, who has been here for many years. I have been greatly impressed by the high quality of the members who have come to this their first parliament. It is always a matter of interest to listen to them as they make their maiden speeches, an experience that all of us who have been here in other parliaments have gone through. Nothing is more trying.

• (5:20 p.m.)

Over the years all our prime ministers have listened to new members and asked themselves, "Which one of these will ultimately become prime minister of the country?". I remember the man Mr. King designated. When Sir Wilfrid Laurier listened to Mr. Arthur Meighen speaking in 1908 he made the remark, "There's a future prime minister," and he was right. In 1912 Sir Robert Borden designated R. B. Bennett as a future prime minister, and so it has been all through the years. As young men come to this institution—I cannot say the same about women; we have only one woman member who is most distinguished—they give to this great body of the people hope for the future. They bring new ideas, new concepts and new determinations.

How is it that a few days after parliament begins its deliberations many members disappear after orders of the day and house attendance is eroded? In 1791-92, in the parliaments of Upper and Lower Canada, if one looks at the rule book then in effect, as the President of the Privy Council (Mr. Macdonald) has, one will find a rule saying that if a member is absent from the house and Mr. Speaker has noted the absence, the sheriff may be sent out to bring the delinquent before the bar of the house. When that was done once I am sure attendance thereafter was maintained.

This summer I was in the United Kingdom and visited the House of Commons at Westminster. I saw it first when I was on leave in November, 1916, when I heard the great Lloyd George make his first speech as prime minister of the United Kingdom. Then Britain was fearful and he raised up the nation. I saw that house during the days of Churchill. I saw Churchill in that chamber in November, 1916, following Gallipoli, when he was in disgrace. When I first met him I said to him, "I saw you first when you were in disgrace". His answer was, "Which time was that?". Later in 1940 he raised up the British people when they, and we, and other commonwealth countries were alone.

In the Canadian parliament I have heard since 1911 the greats throughout the years. Some will tell you that debating has disappeared in this chamber, that it is not what it was in the old days, and that is right. It is better. In my estimation the quality of debate, especially since the beginning years of the last war, has improved greatly in this house. I know that some say, "Let us cut down the time; let us pass our estimates and matters of controversy on to committees." I will go part way with that. The great danger of committees is this, sir. Many of those who give support to the principle in reality are comparing this institution with the congress of the United States, and it is different. There, in committee, all partisanship disappears. Their committees are all-powerful and you cannot get anywhere in those committees unless you have a great deal of seniority. Under that system a member who has been here for 28 years might head a committee. That seniority system is wrong because, as the hon. member for Peace River (Mr. Baldwin) said, it would destroy the efficiency and effectiveness of parliament.

It has often been suggested that we should imitate the United States system of government. I can never accept the concept of the republicanism of the United States being made a principle or yardstick for a parliament in the British tradition. It cannot be done.

In "The Decline of Legislatures" Lord Bryce has written:

> Every traveller who, curious in political affairs, enquires in the countries which he visits how their legislative bodies are working, receives from the elder men the same discouraging answer. They tell him, in much the same terms everywhere, that there is less brilliant speaking than in the days of their own youth, that the tone of manners has declined,—

Today the President of the Privy Council mentioned the need to maintain a high degree of cultured demeanour and I interpolate to say that when I was in the British house recently there was a clash of opinion. They have no eggshell sentimentalities in that institution. The Prime Minister and the Leader of the Opposition clash. Not long ago the Leader of the Opposition, Mr. Heath, said in the British house, "I say to the Prime Minister, he cannot bully me," to which the Prime Minister replied, "the hon. member is in no danger, only a coward would do that," or words to that effect.

What would happen if those words were said in this institution? Why, I could just imagine the headlines all across this country.

Churchill's deputy prime minister of the war years, Attlee, formed a government which Churchill wanted to discredit. He said, looking at the front benches of the government, "It is a lousy government." Before the speaker could call him to order he went on to say, "I want to say that I was not using that term in an opprobrious way. It was purely a factual statement."

As I see it, with the exception of the prime minister, the leader of Her Majesty's loyal opposition—that is the correct designation, not the leader of the official opposition—and ministers making official statements, members should speak without a manuscript before them. Why waste the time of the house? If a speech is to be read, why do we not follow the United States system? If any here want to imitate the United States system why do they not adopt the procedure of the House of Representatives? There, when a member has a written out speech he says, "I should like to place my speech on the Congressional Record", and it is placed on the record. That saves time. If some hon. members here want this institution to be more efficient, there would be a move to consider. Nevertheless, adopting that system would deny the deliberative nature of this house.

• (5:30 p.m.)

I recall that in 1940 or 1941, when two members of Congress had the same ghost writer, one of them delivered his oration in the morning by filing it and the other, Fiorello la Guardia, that tribune of the people, rose that afternoon and delivered his in person. The next day they were both amazed to find they had used the same speech. Let us try to elevate this institution by debating, by expressing our views without the necessity of having everything written out, because if it is all written out, and all to be read, a lot of time could be saved.

Then again, we would have a far better attendance in this house if the institution were cut in two. This place is too large. Everybody has a seat. One of my deep regrets is that I did not secure the consent of the house—and I think it could have been obtained at the time—to remove these desks and reduce the size of the chamber so that there would only be seating for 200. In those circumstances hon. members would all be here. Whenever there is a matter of importance to be debated in Westminster, everybody gets there early. I am referring to the membership of the house.

The next thing I want to deal with is that too many members and too many people have the idea that in this institution we make decisions, that we have real powers of government. We have not. I do not go as far as the Prime Minister went in February last when the rules of parliament were thrown out of the window after the defeat of the government in the house. He was minister of justice then. The prime minister and he indicated then that the government was the master of the house. That is a very bad concept indeed. It is true the government has the responsibility of legislation. It must assume that responsibility. We have the right to examine. The great danger of some of the ideas advanced by powerful governments is that in the interest of so-called efficiency private members of the house will apply to themselves the throttle of secrecy which was recently applied by the Prime Minister to members of the government. They have been strong, silent men ever since. At least, they have been silent.

When the Prime Minister said he did not want "leaks," he was right. What takes place in cabinet should not become available to any of us outside that institution. But, sir, today ministers go around almost as though they had tape over their lips lest they speak. We had an example of this today.

Mr. Stanfield: Every day.

Mr. Diefenbaker: A question was asked by the Leader of Her Majesty's Loyal Opposition regarding something which happened a few months ago, in January. According to the press, some individual in the civil service had been engaged in one of the most dangerous activities that anyone can engage in as far as his own country is concerned—bartering information to a potential enemy. Maybe today the days of espionage are over. The Minister of National Defence (Mr. Cadieux) brought off a good quip on the subject yesterday. As a matter of fact, the days of espionage are pretty well over because the air is full of marching battalions of those things that move overhead. Now, everybody knows everything about everybody else. But this man would have belonged to that group of people who desire to maintain their anonymity, had it not been for the press.

I realize, as I said today in the course of my question, that on the shoulders of the Prime Minister rests the security of the nation. But parliament has the right, within the limitations imposed by the need for security, to know who this person is. The answer to that question was apparently that he was not as guilty as he thought he was. However, he was kept on for several months and now he belongs to the great unwashed outside the civil service. Who was this person? Is there any reason Canadians should not be told? Whatever he did was detrimental to the state or he would not have been put into general circulation outside the civil service.

This is what is happening today whenever we raise such questions. Those strong, silent men of the government are declining to furnish answers to members of this house. When questions are asked from this side we are given answers one would expect from quiz kids—smart, evasive, diffuse. Let us have the facts. But people over there are apparently not satisfied with the rules as they are today. They want, apparently, to apply to parliament generally the throttle of silence which denies members of the cabinet the right to express themselves except with permission.

Change the rules with changing conditions? I accept that. But what happened last February when the rules and the constitutional rights of our country were thrown overboard induces me, usually unsuspecting, to examine very closely what the President of the Privy Council has in mind.

• (5:40 p.m.)

They talk about examination of the estimates. I do not want to say that anything we do is a joke. The time was fixed for examination of estimates, so many days, 30 days. Liberal members spoke, as they had a right to do. Finally, in the last hours we passed over $1,300 million, just like that, because the time had been used up. Mr. Speaker, as the rules are today the government could put $40 million or $50 million in the estimates and get away with it by holding off discussion until the last hours of the last day. That is not conducive to the discharge of our responsibilities.

Mr. Knowles (Winnipeg North Centre): You are putting an idea in their heads.

Mr. Woolliams: They have got the idea. You do not have to worry about that.

Mr. Diefenbaker: They need no ideas when it comes to that. They need no suggestions, but it surprises them that these things are revealed of what they had in mind.

I like to hear the President of the Privy Council, in towering majesty, as he stands and speaks of parliament. As I understood him today, and I am only too glad to be corrected, he is concerned over the fact that we take too long to discuss things. Let us clear away that canard as against this parliament and several parliaments.

I am not going to read the record. I sent out for it, and for benefit of the members generally I suggest they should look at *Hansard* for May 25, 1965, where Hon. Gordon Churchill, who was referred to today by the hon. member for Winnipeg North Centre, analysed this idea that we waste time.

I am not going to repeat the figures that he gave. They are to be found at page 1643. They have now been brought up to date and it is interesting to note the result for the session 1966-67, which commenced on January 18, 1966, and ended May 8, 1967, the longest session in Canadian history. Mention was made by the President of the Privy Council that the tendency today is to have long sessions. Well, until the session I have

just referred to, the longest as I recall it was 1904.

The greatest number of bills in a session was passed in 1966-67. That session lasted for 250 sitting days, or almost a year and a half. Some 83 bills were enacted. Of that number 16 were passed with less than 30 minutes debate for each bill. Ten other bills were passed with debate on each one not exceeding one hour. Nine more required less than one and a half hours for consideration. Three others took less than two hours. In other words, of the 83 bills 38 were passed with less than two hours debate for each bill.

Who is there here who will say that record indicates an attitude on the part of the opposition, that they have been engaged in delaying? Eight other bills required over two hours but less than three. Five bills required over three hours but less than four hours for all stages. A total of 51 bills, or 60 per cent of the entire legislative program, were completed in a total of 66 hours, or an average of one hour and 18 minutes per bill. They say we hold them up? Are we to have applied to us that throttle of silence which the members of the administration have today? I thought, Mr. Speaker, that this should go on the record.

The remaining 32 bills took longer. There were two or three that challenged the concepts of the opposition, and we stood and debated them.

Mention was made today that with regard to this omnibus bill that has everything from homosexuality to free love and firearms in it, amendments to the Criminal Code all thrown together in a hodgepodge, this institution would be holding up debate if we were to stand against it because we are opposed to homosexuality, legalized abortion, and a few others of those fancy offences under the law. Let the government divide this bill. The Minister of Justice (Mr. Turner) said only recently that he believed it should be divided. That was before.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: Since then he has become uncertain. Mr. Speaker, they say it is the opposition. Let me mention an example. If, as a member of the bar, Your Honour were going to set up a judge would you appoint anyone to try a case who had already expressed his view on the justice or the efficacy of action?

Now it is no longer parliament; it is task forces. I have a tremendous regard for the hon. member for Winnipeg South (Mr. Richardson), who has a great business record, a great record of public service. But he is on a task force appointed by the Prime Minister, he, a former director of the C.P.R., to bring in a recommendation as to whether or not Air Canada and C.P. Airlines are to be joined together in unholy matrimony. Sir, I admire his judicial temperament because on June 10, speaking in the city of Winnipeg he said this—I do not have the quote here but I know what he said. He said he was in favour of C.P. Airlines and Air Canada being joined together as a great corporation, with the Canadian people having the right to buy shares. Will he love them in October as he did in June?

Sir, to me it is ominous that out of the declarations of a task force, with a chairman who has already expressed what he thinks, there should come recommendations to parliament as to what it should do.

I do not want to speak beyond the dinner hour. I shall summarize. This house cannot be satisfied with the kind of dilly-dally answers that it is receiving from this governement.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: They are playing with us. The Prime Minister shrugs and smiles. The ministers look on with silent interest, and the opposition gets no information except that which is vouchsafed. More than that, and this is what I am coming to, what they will not say in the House of Commons they say outside while parliament sits.

They are reforming the information services. That is one of the promises, and in their reforms they are making declarations outside the house which should be made here in this chamber on motions, so that members of this house who wish to challenge them may have the opportunity to do so.

Some hon. Members: Hear, hear.

• (5:50 p.m.)

Mr. Diefenbaker: You are playing with parliament. It is not your puppet, it is not your plaything. When that course is followed we have a situation where ministers—I imagine they obtain permission first—rush out when they know something cannot be debated in the house and tell the country what they are thinking and what courses ought to be followed. From now on I hope there will be a declaration on the part of the minister—he has not been an offender yet; he has not had a chance—that this type of thing will end.

There are one or two other matters which I wish to mention. What about sittings? We could sit longer hours. I believe we sit for a matter of 25½ hours a week. I do not believe in sitting between the hours of six and eight o'clock in the evening. However, while we sit for 25½ hours a week, in the British House of Commons they sit for 31 hours a week. There is no reason for our sittings not being extended.

Next, I agree with the hon. member for Winnipeg North Centre that we should have periodic adjournments. It is wonderful to get away from Ottawa, to get away from this vacuum and go out among the people to find out what they are thinking. Those members who are from Ontario and Quebec can do this from Thursday to Tuesday. We who come from other parts of Canada cannot do it.

Mr. Speaker: I must bring to the attention of the right hon. gentleman that his time has expired.

Some hon. Members: Carry on.

Mr. Speaker: The hon. member has leave to proceed.

Mr. Diefenbaker: Thank you. I shall not transgress for very long.

I should like to refer to you, sir. I endeavoured to bring about for this institution a Speaker removed from the controversies of public life. I realize there are two sides to this question but I believe the idea that you should have a constituency in Ottawa, attractive as this area is, where you would sit is contrary to the position you occupy. You are the first commoner; you must be a member of the House of Commons. You would not be if you were chosen as a kind of factotum, having once become Speaker from a constituency.

This will take a long while, I believe, even with the constitutional experts getting together to bring about the making of your position permanent, but I have a suggestion to make. You are impartial and I feel one of the first steps the house should take—I hope I am not contravening in any way the rules of the house—is to provide an additional salary for Mr. Speaker over and above that of today which would be, as in the United Kingdom, free from all deductions and taxes. As well, I believe there should be an official residence for the Speaker of the House of Commons of Canada. In removing yourself from the forum of debate you make a tremendous sacrifice. Therefore I hope this is one step that will appeal to hon. members.

Although I have changed my view in this regard over the years, I think we ought to let the people know what we are doing. To that end the press often condemns us for dilatoriness, inattention, lack of diligence and the like. I think of these young members who come to the house to make their maiden speeches. I try to be here to listen to them. When a new member has something to say and has worked on a speech it is most discouraging when he finds there is no reference to his speech in the press the next day. It is more; it is discomfiting. In the United Kingdom the practice is followed whereby the press reports that "A.B." spoke, with the inclusion of a line or two, and that "B.C." spoke, with the inclusion of a line or two. The importance of members who are trying to find their legislative feet in this institution would be materially increased if the press would give them mention.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I should like to see television in this chamber. As I have said, I have changed my mind in this regard over the years. I think much can be done to bring parliament to the people. I believe arrangements could be made between the house leaders whereby, as a beginning, half an hour a day would be made available for this purpose. Someone might say that the people will not watch, that they are more interested in all the horrors and other things that are shown on television. However, they would learn something of this wonderful institution.

In my last words I should like to say that we get so close together that we know each other and we know each other's weaknesses. We also learn to admire those who sit opposite who stand sincerely for principle. I have not yet had the opportunity to pay my tribute to Right Hon. L. B. Pearson. We are often pictured as two great opponents. One would almost think that we were covered with the lather of personal antagonism. As a matter of fact most people do not realize the close relationship that prevails.

These are my ideas of parliament. I hope that this committee when it meets will be sure that it does not diminish the power, the responsibility and the authority of the backbencher. Changes can be made, but those changes should not have the effect of doing what so many powerful governments, whatever their political party, have tried to do to

stifle the opposition. The rules must protect primarily the rights of the opposition and above all the rights of private members in this chamber.

Some hon. Members: Hear, hear.

Mr. Speaker: Does the hon. member wish to rise on a point of order?

Mr. Lambert (Edmonton West): I wish to adjourn the debate.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment this evening are the following: The hon. member for Winnipeg North Centre (Mr. Knowles)—Canadian National Railways—request for increased pensions for retired employees; the hon. member for Esquimalt-Saanich (Mr. Anderson)—External Affairs—Nigeria—acceptance of invitation to send observer; the hon. member for Thunder Bay (Mr. Penner)—Indian Affairs—Armstrong, Ontario—request for action to relieve poverty.

It being six o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely private bills and public bills.

PRIVATE BILL

LONDON AND MIDLAND GENERAL INSURANCE COMPANY

Mr. J. G. Lind (Middlesex) moved the second reading of Bill No. C-101, respecting London and Midland General Insurance Company.

He said: Mr. Speaker, Bill C-101 is a bill to change the name of London and Midland General Insurance Company to Avco General Insurance Company. The sole purpose of this bill is to change the name of the company. There are two reasons for the company requiring a change of name. The company is part of the Avco group of companies; the Avco Corporation is the parent company. Last year there was in the United Kingdom a company that used "London and Midland" as the main words in its name. That company went into bankruptcy, and questions have been asked as a result. The company named in this bill received several inquiries as to whether they had any connection with the United Kingdom, London and Midland company. There is no connection between them whatsoever. That, Mr. Speaker, is one reason for requesting a change of name to Avco General Insurance Company.

• (6:00 p.m.)

I should like to point out to hon. members that the parent company is Delta Acceptance Corporation, which is the wholly owned subsidiary of Avco Delta Corporation, Delaware, U.S.A. There is one other reason for this company requesting a change of name. I believe there are in Canada ten insurance companies which use the word "London" as part of their corporate name. In an effort to achieve some form of distinctiveness, the company wishes to change its name to Avco General Insurance Company.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, there are a number of questions I should like to ask in connection with this bill. The first is, how did it become numbered 101? This is the first private members bill, and I would have thought it should have been numbered 1 rather than 101. This bill was before us on a previous occasion and there has been considerable discussion about the reasons for requesting the change of name. We are happy to have a report from the sponsor of the bill.

There has also been discussion as to whether Avco now owns this company, which was originally under other ownership, and whether the whole Avco complex is part of the Delta Corporation. For this reason I believe the bill should be sent to committee where members will have an opportunity to ask questions of representatives of the company to ascertain whether or not the bill should be passed.

This bill, with a number of others, raises the fairly fundamental proposition of whether we are interested in the proliferation of insurance companies, and second whether this proliferation is in the interest of the shareholders or in the national interest in so far as the expenditure of assets in the mortgage and other lending fields is concerned.

We find in this company, as in many insurance companies which have appeared before us, a similarity in that they are concerned in exactly the same field, but with a slightly different name. Companies owned by a parent company in another country do not fall under the same restrictions as those that are Canadian owned, in that there is in effect no possibility of those Canadians who invest in

the company having a say in how the corporation is run.

Therefore, Mr. Speaker, I believe an important question is whether it is to the advantage of Canada to incorporate companies such as this. The question of ownership in a foreign country, in a field as important as insurance in this country, will have to be examined. I also believe the superintendent of insurance should be questioned very carefully on his views respecting this matter.

It seems to me this is a matter in which the government should take some interest. I think it is time this whole question was decided. Bills in this form have been introduced in the past few years and we have dealt with 15 or 20 insurance companies that wished to become established, or 15 or 20 companies wanting a change of name or other changes through the parliamentary process. The government should study this question to see whether a proliferation of companies such as this is advantageous to, and in the interest of, the Canadian public.

The fact that these bills go before the private and miscellaneous bills committee does not in itself provide protection for the general public. I think the time has arrived when the government should consider this whole question. If the charges we have been making for the past four or five years with respect to the number of these companies are correct, something should be done about them. If they are incorrect, the committee will be able to ascertain the truth of the matter and arrive at a conclusion.

Many of the companies presenting bills to us in this form, requesting a simple change of name, are really seeking permission to transfer the assets of one corporation to those of another. In some cases these assets are transferred to a very large corporation that is a holding company. All this is outside the sphere of parliament.

Therefore, Mr. Speaker, the length of the bill and the limited amount of information contained in it are not reasons for hon. members passing the bill at this time. I, therefore, hope that the committee to which the bill is referred will consider the propositions put forward by members in the last four or five years with regard to private members' bills. I hope the committee will look carefully into an alternative method of allowing such companies to be incorporated, to change their names or to make changes in their structure. Such changes have been made through private members' bills.

[Mr. Peters.]

Hon. members may be aware that a year or two ago the committee did discuss the subject in a general way, and as a result most of those matters concerned with changes of name are no longer dealt with in the house. These changes were put into officialdom by letters patent. If the house leader is really interested in making a useful change, he should look into the question and decide how we should deal with private members' bills such as these. In my opinion some abuse has taken place in the house in the past when general changes were requested instead of the specific changes required. A much better method could be devised than the one in operation at the moment.

We know that committees will soon be set up. I hope this bill will soon be sent to the committee in order that it may examine the whole procedure of private members' bills. These bills are sponsored by private members who often have no knowledge of and no control over the matter. Private members have only the information supplied to them. They are Joe'd to do the job and often suffer abuse for no good reason. In many cases, the bill he introduces does not affect him or his riding. I believe this procedure leaves us open to abuse and a better system should be devised for handling these bills. As I have said, Mr. Speaker, I hope the committee will consider this whole question in the time it has before other, similar bills appear on our order paper.

• (6:10 p.m.)

Mr. John Gilbert (Broadview): Mr. Speaker, I agree wholeheartedly with the comments made by the hon. member for Timiskaming (Mr. Peters). On the face of it, this bill appears to be a change in name only, and the hon. member who introduced the bill gave valid reasons for wanting the change. However, in his remarks he noted that this company is part of a group owned by Avco, which is ultimately owned by the Delta insurance company, and this brings up the fundamental problem of the proliferation of insurance companies. I would hope that when this bill comes before the standing committee of finance, trade and economic affairs the representatives of this company will reveal to the committee members the corporate structure of Avco, will indicate its ownership, and also will indicate the investment policies of these different companies. We realize these days that one of the main problems with regard to housing is the investment policies of the insurance companies. Here we have a U.S. company which is 98 per cent controlled by

U.S. residents. We would like to think they are good corporate citizens, but we would also like information from them with regard to their investment policies.

Therefore, when the bill comes before the committee, I hope that the representatives of this company will not only say they are asking for a change of name but will also reveal to us their corporate structure, their true ownership and their investment policies.

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the standing committee on finance, trade and economic affairs.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, in normal circumstances the next item to be discussed would be public bills. However, my understanding is that a vast majority of these bills have not yet been received from the printing bureau and may not be for a day or two. I should like to recommend that we adjourn this debate for the rest of the allotted time, on the distinct understanding that this day would not count as one of the 40 private members hours allowed.

Mr. G. W. Baldwin (Peace River): That is agreed, Mr. Speaker. I suppose the house would assume this to be an order to that effect.

Mr. Stanley Knowles (Winnipeg North Centre): I assume the understanding is that this hour not be counted as one of the 40 hours allotted to private members bills.

Mr. Deputy Speaker: That is so. If it is agreed, the sitting is suspended until 8 p.m.

At 6.15 p.m. the sitting was suspended.

SITTING RESUMED

The house resumed at 8 p.m.

HOUSE OF COMMONS

SPECIAL COMMITTEE TO CONSIDER PROCEDURAL CHANGES

The house resumed consideration of the motion of Mr. Macdonald (Rosedale):

That a special committee of twelve members, to be named at a later date, be appointed to consider and, from time to time, to report upon the advisability of making changes in the orders concerning the business of supply, the business of ways and means, the stages of the legislative process, and the operation of the standing committees of this house; upon the advisability of making permanent, with or without amendment, any or all the several changes in the procedures of this house that were in effect prior to the dissolution of parliament on April 23, 1968; and upon the advisability of such other changes as the committee may deem suitable to promote the more expeditious dispatch of the business of the house; and

That this special committee is hereby instructed to make its reports to the house prior to December 1, 1968, and to include in its reports drafts of proposed standing orders drawn to give effect, if adopted by the house, to any change or changes that may be proposed by the committee.

Mr. Steven Otto (York East): Mr. Speaker, I have the very great pleasure tonight of congratulating you on two counts. I congratulate you on your re-election to the office of Speaker of the House of Commons, which is a position you have earned as a result of your conduct during the last several sessions. I also congratulate you on the second count, one of which few may be aware, and certainly one that very few mention. It will be recalled that during the past six years I have made several comments about the situation in which the page boys find themselves. On occasion I have condemned this institution for assisting these young lads to become drop-outs from school. In the past I have made representations to at least three other Speakers, and finally to you, Mr. Speaker.

It is to your credit, sir, that you have taken cognizance of the situation, and I should like to point out to hon. members that there is a different arrangement now in respect of page boys. I understand they are over 16 years of age and are not drop-outs from school. It is to your credit, sir, that something has been done about this situation, and I should like to congratulate you on this action. It indicates a feeling on your part for even the smallest group, and I know that you will continue to show an interest in these young lads. This will result in their being able to go on to even greater things in the House of Commons.

The President of the Privy Council (Mr. Macdonald) has placed several propositions before this house and I should first like to comment on the reforms as set out by him. The right hon. gentleman, the hon. member for Prince Albert (Mr. Diefenbaker), has reminded us that this house has no other purpose than to protect and preserve freedom. I agree that this is one of the main functions of this house. There is another function that the public expects us to perform, and that is to get things done.

The minister gave the members a brief history of parliament, but I suggest he did not go far enough. Parliament, in essence, originated as a group of commoners called together to express their grievances. Originally the Crown chose its ministers and its governors, and when taxes were required parliament was called. Each member came to express the grievances of the residents of particular parts of the United Kingdom. They would suggest that things were wrong in their constituencies or localities. One such gentleman probably suggested that the Sheriff of Nottingham was a very bad fellow.

After expressing their grievances these representatives voted the requested money and went home. To this day there has been little change, except the ministers are not appointed now by the Crown but by the Prime Minister. In fact, this house still has that main function of expressing grievances. There is little communication between the backbenchers on either side of the house with those who occupy the seats of the mighty. This is an acknowledged fact.

I have my doubts as to the mightiness of those who sit in these seats, except those who sit as politicians. The Prime Minister (Mr. Trudeau) in a recent speech felt it necessary to warn his ministers that he expects them to set policy from now on rather than the administrators. Anything we can do to bring more power to the backbenchers on both sides of this house will be of benefit to parliament.

The right hon. gentleman cannot argue that originally there were two parties in the House of Commons. Originally, all the members of the commons opposed the Crown. It was not until recently that the party system evolved. The right hon. gentlemen opposite and backbenchers come here and have a field day and, with the exception of the odd individual on this side, there seems to be very little purpose in their being here.

An hon. Member: Do you want to leave and join us?

Mr. Otto: It is not surprising that Canadians as a whole have lost a great deal of respect for parliament and members of this house. We now have the opportunity of doing something about this. The parliamentary system is really not suited to an economy which changes as quickly as the Canadian economy has changed during the past 20 or 30 years. This is a wonderful institution which would probably work well in a static or agrarian economy. It has worked in the United Kingdom, but it is not even working very well there today. When you have an economy such as ours, which changes from a static position to a very fast-moving position, messages from constituents have to be conveyed to the government immediately. One cannot afford to wait very long for the administrators to decide that an idea proposed on behalf of a constituent is a good one. The people expect us to do things, yet we have to inform them that we have no power.

On several occasions the minister mentioned Westminster. I hope he was not suggesting that we should follow or ape the actions of those at Westminster. Many of the reforms in the House of Commons in England have been good, and I think we should consider them, but this is not England. We are faced with areas with problems that are vastly different from those in existence there. We have a different economy and different requirements. Indeed, I have no hesitation in saying that Canada is much more suited to a republican system than a parliamentary system. I hold no brief for the republican system, but elements of republicanism could be worked into a parliamentary system.

I think there is an advantage in not having as much control over the money as we have under our system. That is the case in a republican system.

Let me explain what I hope will happen to our committees as a result of the proposed changes. Specifically, let me refer to what the minister has said about the referral of estimates to these committees. Before I do so let me suggest that there is a presumption that all new members come here to learn a new trade or new profession. This is not to say, Mr. Speaker, that we were sent to parliament by our constituents because we were the most able people in the riding. The backbenchers were not sent here to learn some new business for their own self-aggrandizement or promotion.

• (8:10 p.m.)

Mr. Woolliams: But if they pick up a little knowledge while they are here, no one will hold it against them.

Mr. Otto: I would say that most backbenchers have quite a bit of knowledge. Indeed, some of us who have been here for six years, all fired up with new ideas when we came, have lost sight of the trees because of the branches. After a while you get confused. In fact, Mr. Speaker, new members are told to

settle down, that they will learn about parliament in five or six years. I say they are better members now than they will be six years from now.

Under the old committee system, Mr. Speaker, a member could work very hard. He could research and he could question. But by and large, committee reports came back to the house, were filed or tabled, and no one saw them again. After five or six years, sometimes sooner, members would wonder why they had done all that work. You might as well have been playing tic-tac-toe.

As the minister explained, the administration, through the minister, finds out how much money is needed for each department for the following year. These estimates then come to the house in the blue book, and during consideration of estimates you can argue about anything so long as it has some relationship to a particular item. I remember the former member for Port Arthur used to stand up and move the reduction of an item in the estimates from, say, $75 million or $100 million to $1, and this constituted a vote of confidence.

The administration in those days, Mr. Speaker, had an absolutely free hand. They were never questioned. Nobody ever wondered what item 7, say, was all about, or where some $47,000 was going, because he didn't have time. Besides, it did not matter because you either voted for $1 or for $75 million or $100 million.

If the minister said what I thought he said, Mr. Speaker, that from now on the estimates of each department will go to a parliamentary committee, then this means that we backbenchers will have a lot of time to examine and to question the administration. If backbenchers feel that something is not quite right with a certain department, then they can make things rather miserable for the administrator. Indeed, there will be nothing particularly wrong, if you feel sufficiently strongly about a matter, to move a reduction in the amount of the estimates.

This might be one of the recommendations in the report, and I am sure that the backbenchers who sit on my side of the house will find lots of help from hon. members opposite. If a member feels that his constituents want him to do so, in the report he can recommend a reduction in the amount of the estimates concerned and the minister will consequently be embarrassed. When the report is presented to the house the question can be raised again. There is at least some indication that there is objection to some aspect of the administration and that you have been able to voice that objection.

Believe me, Mr. Speaker, I feel that from now on the power of the backbencher and the power of this House of Commons is going to be greater, not less. I believe most members will act responsibly. I am sure there will come a time when members, even on the government side, will not agree with a particular item of the estimates of a department and they will have the right to make their objections known. This will not constitute a vote of confidence. Hon. members will not be expected to vote the government down, thereby throwing us into another election campaign.

What I have said, Mr. Speaker, may be regarded as what I call a caricature of government. I am sure the right hon. gentleman and other hon. members opposite, as well as those on this side who have been ministers will agree that it is a caricature. But by and large, Mr. Speaker, it is a fairly composite picture. Ideas and policy decisions do not necessarily stem from the ministers because they are busy politicians. However, as Professor Porter pointed out, we do have a very large establishment in Ottawa composed of people of great consequence, the elite with family histories going back two or three hundred years and who all belong to the right clubs.

Occasionally, these people get the message across that it would be a good idea if the government instituted a certain measure. The department and deputy minister concerned immediately think it is a wonderful idea. The next thing you know, a resolution appears, followed by a bill which is practically word for word what is wanted. The minister and cabinet go over it, but the first time we see the bill is when it appears on the order paper.

Then, consider the administrator or deputy minister who wants $600 million for his department. He says to himself that he may have an emergency during the coming year so had better put in for $670 million. However, treasury board will cut that by 15 per cent so he adds on 15 per cent, though I doubt whether in the end the money is reduced. If the department has not spent that money near the end of the fiscal year, then they had better spend it quickly or they will not get any more.

At what stage, Mr. Speaker, do we as parliamentarians enter the picture during the passage of a bill? I heartily endorse the

minister's stand because I think it will give backbenchers and all members of parliament an opportunity to question, argue with and talk to the administration. The administration will listen to all your complaints and do things for you, which I think is all to the good. I know, and I am sure the Prime Minister knows, that each minister will trust that all of us on this side will support the government, unless there is some matter of serious consequence. In that case, the minister will realize that something does displease certain constituents and there will be quick communication.

The Prime Minister has said that there must be communication from all Canadians. At the moment it is a one-way street; the government can communicate with the public, but it is very difficult to get any communication from the public to the government. As a result, Mr. Speaker, we have task forces. The president of the Liberal federation comes up with a very good idea in an attempt to involve the people. There is no better way to involve the people than through members of parliament; after all, that is what we are here for. But there is no sense in being involved and making representations if one knows one will not be listened to or that no one will care. However, if you control the purse then people will care.

I am heartily in favour of amendment of the rules. I hope this resolution is approved by everyone in the house. I do not think it will diminish the power of the opposition, the power of the backbencher or even the power of the front bench. It will enhance our prestige, our power and make us aware of our responsibilities.

[*Translation*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I had little difficulty in deciding to participate in this debate, because it is a well known fact that, besides being interested in the examination of the rules, I have followed their development very closely.

As I was, six years ago, discharging the duties that that you are now so honourably and brilliantly performing, and because of my experience as a member of several committees on house procedure, I would like at this time to record certain remarks in *Hansard*.

[*English*]

First of all, Mr. Speaker, may I say I listened with some degree of amusement yesterday to two rather—if the hon. gentlemen will forgive me for using the term—intemperate speeches wherein the house was castigated for having wasted time up to now. These members indicated that they thought the throne speech was irrelevant. Over the years, I have heard a few of those speeches and all I can say is that members who delivered that type of speech were distinguished by one characteristic; they were one timers who seemed to work their frustrations out to the point where they missed being elected the next time around. I think when some hon. members have a little more experience they will concede that some of their remarks were better left unsaid.

• (8:20 p.m.)

The question of the reform of parliament and the rules of parliament has been bothering people for some time. Their zeal for reform is like a spring cold that turns into year round sniffles. I suppose that when editorial writers are short of copy they can always write something about the reform of parliament. It seems to be a popular subject on the hustings during election campaigns. I heard some candidates who knew not where the front door of this place was say that parliament had to be reformed and that they would come down here, cut a wide swath through the thicket, and this house would soon be in order.

Well, it seems to me that the greatest noise about the reform of parliament and its procedures is made by those who have little or no knowledge of what happens here and how it happens. In any event, we have heard a great deal about the reform of parliament. Some changes have been made over the years. There has been an evolution.

May I point out to hon. members, and this has been pointed out by the right hon. gentleman for Prince Albert (Mr. Diefenbaker), by the hon. member for Peace River (Mr. Baldwin) and others, that every time there has been a major change in the rules it has been at the expense of the membership of the house and in favour of the executive. This so called passion for efficiency has always been exercised at the expense of this institution. Parliament is not a board of directors. It is not an administrative body, nor is it merely a rubberstamp for the omniscience that has suddenly descended on 20 or 25 men who are aided by administrators.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): As the hon. member for York East (Mr. Otto) has indicated, regardless of the number of members

supporting the administration the backbencher on the government side has about "zot" to say about policy and the formulation of statutes. He sees what is contained in a bill after the bill has been printed. That is how he learns what is in a government bill.

There has been agitation, and we hope it will meet with success for private members to become involved in legislation at an earlier stage than the stage of, shall we say, getting into the brambles and clearing out the brambles in the clause by clause study in the committee stage after second reading.

There are some comments I wish to make about the general subject of legislation. This afternoon I heard the views of the President of the Privy Council (Mr. Macdonald). I think, myself, that the provisional rule with regard to the resolution stage being limited to about a five hour debate is commendable. That rule has worked out reasonably well. It may need a somewhat longer trial, but I think it will work. With the greatest respect, Mr. Speaker, I think we should be better off during any debate on any resolution stage if those who prepare the speeches or statements of the minister adhered to the rule of relevancy. For instance, if we are to deal with some measure of social significance we do not need to hear the record of the past generation regarding the performance of the administration in the field of social welfare. If that is put on the record everybody else is entitled to comment; the debate becomes wide open, and that is quite wrong. Our first reform might be to prevent discussion on a bill from becoming irrelevant. Mind you, where that has happened it has not necessarily been through any fault of the Chair.

If hon. members turn to page 562 of *Hansard* for 1962, they will see that on that occasion I spoke at some length about the question period and the role of the Speaker in the enforcement of rules in the house. One can see that the responsibility for upholding the rules rests as much on the members of the house as on the Chair. We may compare our rules to the rules governing any football or hockey game. Not only must the officials overseeing the game know and observe the rules, but the players must also know and observe the rules; otherwise, the game becomes a shambles. Similarly, the proceedings in this house could become a shambles.

With regard to first reading, there is a suggestion to send a bill, after we have first seen it, to a committee, unless the house decides otherwise. There are many minor bills which it would be nonsense to send to committee. In these instances, the house could agree not to send them to committee. We could then go from first reading or to second reading without sending the bill to committee.

It seems to me that in this matter we could adopt the practice, not of the British parliament, but of European parliaments where legislation after being printed goes to an appropriate committee. The committee could then work out any amendments it wished. Committee members are free to move amendments to legislation without being committed *a fortiori* by their vote. It is nonsense for government members to suggest a worthwhile amendment to a bill which is in some sense contrary to a proposal of the government if they are already committed by a vote on second reading in favour of the bill. In that case the government members would stand up and say, "Aye" all the way along.

I suggest, therefore, that it is of greater advantage to permit committee members to be free to make such amendments as they wish to make, with the proviso that when the bill is reported back the government has the right to accept or reject any amendments. If the bill has been thoroughly gutted in committee the government can say, "Vote on the report of the committee, and the vote shall be one of confidence." This is a point where I think the government ought to have an option of asking for confidence.

I put that suggestion forward for the consideration of hon. members. If it were adopted it seems to me that we should eliminate much repetitious debate on second reading, since the second reading debate would take place on the reporting back of the bill. The bill would be debated on principle of the acceptance of the report and the clauses to be considered in detail, and off it would go. It seems to me that that would give a much better chance for a working committee dealing with the legislative side to do its work.

I could not possibly cover all I want to say this evening. I could spend half an hour alone on the subject of the question period, which I will not leave entirely alone since I must say this: I have noticed that whenever a maximum time was fixed for any question period or period for debate in this house, that has immediately become a minimum time. In the past, with direction from the Chair and cooperation from members, the question period was often cut down to 10, 15 or 20 minutes. Perhaps with the shortening of questions and a greater use of the order paper the question period could again be shortened.

Hon. members who have been here for some time know that when I was speaker there was a concerted drive to put questions on the order paper, and it was relatively successful under the circumstances. We finished up with a question period lasting less than half an hour.

Mr. Peters: You became obnoxious as hell.

Mr. Lambert (Edmonton West): There was a job to be done. If the hon. member feels he can review the procedures of the house and bring them more in line with the needs of his digestion, that is his privilege. I was satisfied with the rules.

Mr. Peters: You made the rules.

Mr. Lambert (Edmonton West): By agreement there has been a suspension of Standing Order 15A, one of the most pernicious rules we had. Thank goodness, it is in suspension. It actually was some sort of half-hearted borrowing of an idea from the business committee of the British parliament. If one wants to see the mess the British committee system is in and the sort of practice that became prevalent at Westminster, one need only read British *Hansard* for May 23, 1965, a celebrated occasion when Dame Irene Ward, a senior and delightful member of the British house, was suspended for five days because she protested so vehemently that Mr. Speaker had to eject her. Why? Because she objected to the finance bill which was the subject of an order by the business committee. The schedule set was a fantastic one. I can say from personal experience that back in 1948 when the House of Commons was considering the nationalization of steel, the nationalization of transport, the national health bill and a number of other major bills under the Labour government, scores and scores of important clauses were never touched under the rigid time-table set out by the business committee. This despite the fact that the government itself had amendments to introduce to a number of these clauses. Last May the same thing happened again in connection with the transport bill. The measures then have to go to the House of Lords; that body is overloaded with the amendments, some of which are accepted and others refused. Then the bill has to go back to the commons for consultation and the working out of an agreed version as between the two chambers. This is an unwieldy process, yet it is supposed to be the epitome of efficiency. Why? Because there is a time-table for the benefit of the cabinet. I have talked with any number of members on both sides who are beside themselves with sheer frustration at being unable to speak at any time on such important bills.

• (8:30 p.m.)

When, for instance, the British white paper on defence was up for discussion last year it was my recollection, subject to correction, that in the time allocated prior to the closing of the house at 10.30 fewer than 12 members out of 600 were able to speak on such an important subject as defence policy. Not only Conservative members but Labour members were indignant because they could not speak even for one minute. The minister of defence took an hour himself to open the discussion, and seized a good deal of time at the end to close the debate. I would therefore caution hon. members against the idea that our problems with the rules will be cured by the establishment of a business committee and the allocation of time through a cut and dried schedule. We are only heading for more trouble that way.

One of the things I might suggest is that speeches, apart from those made by a minister who is proposing legislation or by someone who is following a text closely for the purpose, say, of adducing statistics, should not be read. After all, members were elected to the House of Commons and they did not gain the backing of the voters by standing before them and reading a prepared text.

Mr. Baldwin: There was a fair amount of kissing.

Mr. Lambert (Edmonton West): Oh, they may have gained election by other means, I grant you, but as far as proceedings in this house are concerned I suggest that speeches would be shorter and certainly not quite as boring if they were not presented from the top of a pile of *Hansards*.

As far as committees are concerned, I do not think we ought to advocate a great proliferation of them. I am an ardent supporter of the idea that more work should be done by committees, but a word of caution has to be uttered. First, we must recognize that the work load imposed on the membership of committees is a very real one and, second, we must keep in mind the limitation of staff. Committees require trained staff on the stenographic side and the translation side, and until we recruit these people in greater numbers there is nothing we can do.

May I draw attention to an item which appeared in the *Times* of London in connection with the expulsion of Dame Irene Ward? This is an extract taken from the *Canadian Bar Journal* of August, 1968. I read as follows:

When Dame Irene Ward clashed with the Speaker and was suspended from the House, she dramatically brought to public attention the plight of members which had been expressed by the parliamentary correspondent of *The Times* thus:

"The Palace of Westminster was seething with unrest today, with M.P.'s chasing around like angry ants that have suddenly had their comfortable hill broken open and scattered. Anguish and frustration knew no bounds as 15 committees considering bills and other matters competed with the debate on the floor of the House on the transport bill, which began the second day of its three day marathon at 10 a.m.

Every time there was a division on the transport bill, proceedings in committees had to be halted so that members could rush to the division lobbies. M.P.'s ancient and modern were being hauled up and down stairs like a regiment of protesting yo-yos. Committee after committee fumed and fussed under the pressure."

Lord Dalkeith, (Conservative M.P., North Edinburgh) was caught on the timing of events when he discovered he could not cover 2 committees and his duties in the House and as a result missed a division on the Social Work (Scotland) bill. He had banged and thumped on the door to the committee room but it was locked for the discussion. His entry, after the vote was counted, was greeted by laughter and cheers but he was furious in his protests.

The whole House runs the risk of being worked to a breakdown as the machine tries to digest the number of bills being considered. One day there were three committees in the morning and five in the afternoon and the House in session. Dame Irene Ward (Conservative M.P., Tynemouth) wrote to *The Times* and warned that the sending of important legislation to committee and the chaotic conditions caused by so many committees was starting Britain "on the road to a Social dictatorship". She said in the letter: "The British public should examine with great care the parliamentary happenings of today".

Mr. Speaker, this, in essence, is the justification for the warning I give with regard to thinking that mere reform of rules in whatever fashion hon. members in their wisdom may see fit will necessarily be the cure-all for all that happens here.

There is another sector to which I wish to advert, and that is the private members' hour. I think this house owes a responsibility to proposers of this legislation, and somehow or other we must find a way by which legitimate debate can take place on the bills put forward. These bills should not be used as footballs. They should not be subjected to stalling tactics. This house collectively should not treat petitioners for very worthwhile incorporations rather contemptuously, as though what they were doing mattered naught to the house and that we could put them aside. Responsibility also lies on the government which all too often comes to this house and says, "Could we postpone private members' hour so that we can get on with government business?" If within our statutes and rules we provide for these private bills, then to my mind there is a responsibility for us to deal with them. I hope the committee will be able to come up with an answer that will meet a little better the objectives of both sides.

• (8:40 p.m.)

I am sure, Mr. Speaker, that there are other hon. members who want to make observations on this matter. I endorse a good deal of what the hon. member for Peace River (Mr. Baldwin) said in reply to the address by the President of the Privy Council (Mr. Macdonald). I hope that with some good will, and I trust patient understanding by those observers who seem to know the prescriptions for the ills of this house but who seldom face up to the responsibility of trying to become members of it, or essay out into the trials and tribulations of a political career, we will be able to get on with the business rather than spend all our time introspectively contemplating our navels.

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, I rise to support the resolution, but since this is my first opportunity to speak on the floor of this house I would like at the outset to say a few words of tribute to my very distinguished predecessor. I have the honour to represent the new riding of Windsor-Walkerville, which is the successor riding of the old constituency of Essex East. That electoral district will be linked for all time with the name of the member who represented it from 1935 until April of this year. He was successively Parliamentary Assistant to the Minister of Labour, Secretary of State, Minister of Health and Welfare and, after a period in vigorous opposition, Secretary of State for External Affairs. He is now Government Leader in the other chamber. By common acknowledgement, he is one of the great parliamentarians in Canada's political history, and it is fitting that the name of the riding which he so magnificently represented for 33 years should be retired from this house with him. It is both a privilege and a challenge to succeed so great a Canadian, and it is a source of special satisfaction that he has

assumed the designation in the other chamber of the Senator from Windsor-Walkerville.

On another occasion, Mr. Speaker, I hope to speak about my riding and its concerns, unemployment, insufficient housing, poverty and pollution. However, tonight I must confine myself to the resolution at hand. Legislatures, as institutions of representative government, are today confronted with the most serious intellectual challenge they have ever faced. The seriousness of the challenge results from the fact that it arises from within democratic theory rather than as previously from outside, from totalitarian or absolutist dogmas which of their very nature were challenges of force, not intellect. The internal challenge is that raised by the proponents of what is called participatory democracy.

There are many aspects of the movement of participatory democracy that we all applaud. To the extent that it means the active interest of all citizens in matters political and a very full participation by them in political parties and movements, with a corresponding openness of the political process to popular participation, it is only the perfection of the present system of representative government.

This may indeed be all that it means to many of its adherents. But to its theoreticians it means the abolition of representative government as insufficiently responsive to the needs of the people, especially to those of the dispossessed, and its replacement by a system of direct democracy in which every decision is made collectively by the whole population. Perhaps in a technologically more advanced age in which information and opinion on every issue could be conveyed directly and instantaneously to each citizen, with an equally direct and instantaneous return by the citizen to a central source, a non-representational democracy would be feasible. But in the meantime it would be tantamount either to mob rule or to an oligarchy.

Often, however, an evil is merely the exaggeration of a good, and the development of a fallacious theory may serve the purpose of calling our attention to inadequacies in our present practice. Hopefully, the movement toward participatory democracy will direct our minds towards the achievement of more democratic representational government, characterized by greater openness and by more opportunities for meaningful participation in decision making. In my opinion, such democratization is needed in our governmental operations and, I might add, in all our political parties.

I would therefore suggest, Mr. Speaker, that the primary principle of parliamentary reform should be the principle of democracy, by which I mean in this context an opportunity for more meaningful and more widespread participation in law making. I believe that this principle would have as its consequence more adequate law making; I do not mean more efficient since efficiency could be taken to mean merely the quantity of achievement in a given time whereas what I have in mind is a more qualitative test of effective operation. More adequate law making means the creation of legislation which is more attuned to the social problems of the day, which will be better received by the public, and which will be of more lasting benefit to the country.

From this starting point, it would appear that the thrust of parliamentary reform should be directed in considerable part toward the creation of a system of permanent standing committees, with greatly expanded powers, as the most effective means of increasing participation in law making. At first glance the referring of legislation from the whole house to a committee of, say, 20 members may not appear to increase participation, at least quantitatively. But in truth it would not only expand participation qualitatively, by allowing for a much fuller participation in law making by the committee members than would be possible for any members of parliament in the committee of the whole, but it would achieve this gain without diminishing the rights of any other members of this house to participate in plenary session. Moreover, while the principal benefit with respect to the operation of any particular committee would be qualitative, the total picture of the operation of the committee system would show an immense overall quantitative gain by the collectivity of members in real law making.

I would therefore, Mr. Speaker, express the following hopes with respect to the committee's recommendations:

1. That it would recommend a system of permanent standing committees which would operate for the complete life of a parliament. Normally, the same members would be members of these committees from session to session, and the committees would have power to sit while parliament was not in session and, indeed, might use that time extensively.

2. That each standing committee would have a permanent jurisdiction over a particular class of legislation. All bills and resolutions would be referred to the standing

committee having jurisdiction over the predominant subject matter. If the jurisdiction of the various committees were defined sufficiently precisely, the decision on allocation would normally be a routine one, although occasionally a jurisdictional decision might have to be made by the house.

3. That while a standing committee would remain a creature of the house and would be bound to deal with matters referred to it by the house, it would also have independent power to investigate matters falling within its jurisdiction, subject of course to approval by the house of its operating budget. I would be inclined to the view that every standing committee should have a minimum annual budget, with supplementary appropriations made at the house's discretion for special assignments.

4. That a permanent staff of experts, translators and secretaries would be assigned to each standing committee. On the premise of a stable division of legislative responsibility among committees, the staff could usefully operate on a year round basis.

5. That bills should be referred to standing committees after first reading in the house. This procedure would give the committees the maximum opportunity to participate collectively in law making, and at the same time would provide the government, which up to that time would have had the advice of only a small circle of experts, with the maximum advantages of committee scrutiny.

• (8:50 p.m.)

It will be obvious, Mr. Speaker, that what I am recommending for the consideration of the special committee is in large measure the structure of the United States congressional committee system. I would hasten to add, however, that we should avoid the great disadvantages of the United States system—the seniority rule for the selection of committee chairmen and members and the power of chairmen or committees to bottle up legislation which they do not like for indefinite periods of time. But I see no danger of such an undue emphasis on committee autonomy in our system. The danger I see is rather that insufficient use might be made of the great talents of the members of all parties in this house, talents which caused them to be selected by the voters of Canada to serve in this august assembly. To the exent that our Canadian democracy is inadequate, let us begin the process of perfecting it with parliamentary reform based on the principle of democracy.

A further advantage of the committee system I have recommended is that it could perform much of the work assigned in recent years to royal commissions, departmental committees and government task forces. Of course, a place will always remain for such ad hoc bodies to study highly technical matters or perhaps occasionally for matters of considerable political sensitivity. But much of the work that has been done by commissions could have been done just as well by legislative committees. Such a change would eliminate much of the action gap that has occurred between recommendation and legislation, both because the legislative proposals that would be forthcoming would be more politically realistic and because being already under parliamentary consideration they would be somewhat closer to realization. The result would be more adequate law making.

Perhaps as a newly elected member I ought not to have aired my views on parliamentary reform until I had acquired more seasoning in this house. But the times are urgent, and the necessity for parliamentary reform is more urgent still. I, therefore, have presumed to tread disrespectfully upon the hallowed ground of precedent in the cause of reform. I dare to hope that my impetuosity may be regarded in a spirit of charity, even though my proposals must be weighed on the scales of justice.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, because these are my first words of debate in this parliament I should like to incorporate all the nice words that have been said about you into my comments tonight. I know that in the future you will be just as fair and impartial as you have been in the past.

I shall not take very long tonight. However, I should like to speak in a practical vein. Through the medium of communications, newspapers, T.V. and radio, there has been a growing demand that parliament must be reformed. I do not think that any one of us would deny that there is some need for reform. We must remember, however, that the rules of parliament, the same as the rules in any other institution, are the tools with which we work. They are simple tools and I believe we must be careful that we do not allow ourselves to be worried too much when we are engaging in this kind of reform by the demands for reform by the press.

At the outset, I wish to say to the minister who moved the resolution that at least he has spelled out some of his thoughts. Politics today has generally caught the imagination. It has become the Madison Avenue instrument today. Men and parties are sold like packaged breakfast food and stainless steel blue blades. So, when we consider reform of the tools of this house we must analyse them very carefully to be sure that we are not brainwashed by the demand for reform in certain places. Otherwise, we might end up curing the evil with worse.

We must remember at the outset that the committee will be like all standing committees of the House of Commons. The committee will be controlled by a majority of government members. I should like to mention my experience so far as committee work of this parliament is concerned. Whether it is a Conservative government or a Liberal government, all committees are controlled by the government. With the exception of the public accounts committee the chairmen of committees generally are appointed from the government side. No doubt we will have the same situation in respect of this committee. The chairmen of the committees know full well what the government wants, and in this case the chairman will know the reforms for which the government is looking.

As one speaker said this afternoon, so far as these instruments and tools are concerned, although they may be of great advantage to the government majority they may be a disadvantage to the opposition. A committee is controlled by the government. The chairman is a member of the government. The government has a majority of the members on a committee. My experience is that witnesses appear before committees, are examined and then a report is prepared. Perhaps I am a little harsh in this regard, but my experience again is that because of the weight of the hon. members on the committee who are controlled by the government, whether it be a Conservative or a Liberal government, that report generally is shaped by the committee chairman and the majority on the committee according to government thinking. Therefore, I do not think we should attend this committee, where we will be outnumbered, in the belief that we will get our ideas across when we point out some of the disadvantages of the suggestions. It might well be that this committee will be operating somewhat in a vacuum.

I should like to use as an illustration the problems in respect of the national parks of Canada. Leases and lands were being expropriated from the citizens of Jasper and Banff without notice or compensation. So, after pressure from the opposition the government decided to send a committee to that area. I mention this in order to show the weakness of the committee system. If the minister in question or the government can show me how we can reform the committee system, then I will have more faith in it and will have more faith in the ability of the standing committees of the house to examine carefully and properly the estimates of the government. In respect of Banff and Jasper, the committee members went to these parks where briefs were presented. I was told by one of the officials when a certain question came up, that we should be careful of what we say because the government did not like this idea.

In short, the committee was a sham. I do not think any other committees are much better. The committees are no better than some of the administrative boards before which lawyers appear with clients, only to find that a decision has been made before the board is called to order. I want an impartial committee. I want an impartial chairman of the committee. Then, I will have faith that we can go to the committee meetings and come out with a reasonable report which, to some extent, will represent the opinion of the members of the House of Commons rather than merely the opinion of those on the government side of the house. This particular committee to which I refer which visited the national parks was just a kangaroo court, and it came up with a kangaroo decision. It did not solve the problem because the same problem exists today. The people are no more satisfied than they were before.

I think this is where we must start. There are two points. We must place the matter before a committee. Then, we must know whether that committee will be a responsible committee or whether the ideas of the government will be thrust upon it. If that is the case, then it is really going to be just a sham committee. If the estimates are to be more carefully considered by the various standing committees, I suggest that the committees themselves should be so constituted that they will express the viewpoint of the members of the House of Commons and not the viewpoint of one party which constitutes the majority on that committee.

• (9:00 p.m.)

That has been my experience in respect of committees, whether it was the committee on

resources, the committee on national parks, the committee on legal affairs, or justice, or whatever committee it was. If we take away the right to debate the estimates, and set a time limit, let us put the estimates before an independent committee which can do the job as well as we would do it in this chamber.

There is a dangerous aspect to this proposal which I think the committee should consider. I believe everyone wants a time limit on debate and a time limit on our discussion of the estimates, but will this work when we have 29 departments and only 30 days in which to discuss the estimates? I would also point out that the government is very sensitive with regard to certain things. For example, last year our negotiating team in respect of the international wheat agreement failed to reach Geneva on time so they could set a floor price on wheat and guarantee markets to Canada, which markets had been lost because there was a surplus in the United States. We lost some of our traditional markets. We could not debate the question because the government held the matter over to the last hour of our sitting. They can do this so easily. All they have to do is call upon the backbenchers to do the talking on estimates which are not in issue, delay a matter until the last hour and then billions of dollars worth of estimates go through with no debate. This is what happens when the government finds itself in difficulty.

If this is the kind of reform the committee we are setting up tonight has in mind, and if that is the kind of reform the minister has in mind—

An hon. Member: He has.

Mr. Woolliams: —then I say to him, "You are curing the evil with something worse." This kind of reform will not improve the situation that exists today. It will feather the minister's bed for the moment, but tomorrow he may be in opposition and the rules and guillotine he is creating will be the things by which he has to live. When the executive are allowed to go around this country without being constructively criticized, you have a one-party state and you get dictatorship. That is the result of such a situation. That is why the committee must study this question very carefully. I am referring to the functioning of our standing committees and the time limitation on the discussion of estimates. These things may sound wonderful and idealistic, but in practice they may have the effect of gagging the opposition so they cannot perform the functions and responsibilities which this institution demands.

I believe this is the most important question facing our committees today. If the rule changes have the effect that I have described, there will be a fenestration of the wall of freedom. It is just like building a wall and then building a window so you can get through the wall. I would point out that this is all to be done under the guise of reform. It is to be done because this concept is popular today. As I have said, Madison Avenue sells the packaged foods; Madison Avenue sells the man, Madison Avenue sells the political image for parties and governments. Then, of course, Madison Avenue, through the advertisers, commentators and news media builds up public opinion, and public opinion in Canada says that parliament must be reformed. But if the public realizes and appreciates that the reform may in fact amount to gagging the opposition because of a limitation on the discussion of estimates, I say again that the minister will be trying to cure the evil with something worse.

As the right hon. member for Prince Albert (Mr. Diefenbaker) said today, there seems to be growing in this new government a vacuum of secrecy. We asked two questions today with reference to the security of the state. We were told we could not be given the answers. But most of us have these facts. We know that when someone is fired from the civil service that person must be at least under a cloud of suspicion. If there is not a cloud of suspicion, he should get his job back. What would have been wrong in the government naming that person today? Why hide the facts?

I asked the Minister of Agriculture (Mr. Olson) whether he and the Minister of Industry, Trade and Commerce (Mr. Pepin) would make a statement with regard to the export of grain and future commitments in this respect. We asked that such a statement be made in order to give confidence to the grain trade and the country in general, because the grain trade is important to the whole economy of Canada. The other day the Minister of Agriculture said, "That is going to be done."

When I asked the Minister of Industry, Trade and Commerce the question today, he said, "I do not know whether we can do that." There are two contradictions. If we are to have a proper parliament, the opposition must have the facts. Another illustration of this situation is the fact that the Minister of

Justice (Mr. Turner) has received briefs from the attorneys general of the provinces with reference to the amendments to the Criminal Code. Surely, there is nothing wrong with tabling those briefs if you receive the consent of the attorneys general. They will certainly give that consent. This information is necessary so that the opposition is armed with the same facts and knowledge as the government. Only in this way can the opposition intelligently and responsibly debate this subject when it comes before the house. Provided these safeguards are made, and provided the committee is independent, I am all for reform.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I have listened with a great deal of interest to the discussion that has taken place today. The discussion appears not to be a continuation of what was said last year and perhaps even the year before, when we had a minority government and there was a great need for co-operation on both sides of the house. Rather, there has been a return to firm positions that were held somewhere around 1962 when the provisional rules were introduced and which have been in operation off and on ever since.

When the government house leader made his presentation today it was quite obvious that he had the details all worked out and was ready to put them into effect. The debate was a necessity, as many debates are, only because under today's rules we have this type of debate. But the details were already spelled out, and ready to be put into effect.

I have always been very impressed with the house leader of the official opposition, but today I found him not to be progressive in any way, shape or form in his approach to the rules. He has gone back to an ultra-Conservative view that he has not held for a considerable length of time. Therefore, Mr. Speaker, I wonder what the exercise is really all about.

It is true that in the last election the general public had something to say about this matter. I was very interested in three of the statements the Prime Minister (Mr. Trudeau) made during the election campaign. All of them concerned problems that apparently could be solved almost with a sweep of the hand. One was that we recognize Red China; second that we get out of NATO; and, third that we reform parliament. I think most of the country agreed with these three proposals. I am sure the Prime Minister himself agreed with them and was not just talking through his hat. These were very sensible things to do, until he was in a position where he was able to do them. Then, it did not become so simple; other factors entered into the problem.

• (9:10 p.m.)

With regard to the recognition of Red China, I am sure there were people in other parts of the country who were not so sure this was a good idea. I think probably even Red China may not want to be recognized. When it came to withdrawing from NATO, a situation arose which was obviously not considered at the time the statement was made. However, it is difficult to foresee all the implications. I am sure that the same is true of the proposal to change the rules. It sounded a very easy thing to do during the election. I am sure that all the backbenchers in every part of the house agree with the Prime Minister that we should change the rules to make this a much better place in which to operate and in which to serve the needs of the people of Canada. The difficulty arises when it comes to actually getting down to changing these rules. It is not that we do not want to do something about changing them, but the difficulty is how to change them.

Obviously the rules of parliament were developed over many years by trial and error. This goes back further than my own knowledge of history. However, the development of procedures has taken place under the democratic system which has provided great freedom for the individual and at the same time provided some form of protection to society. I was intrigued by the argument put forward by the hon. member for Winnipeg North Centre (Mr. Knowles) when he said that Mackenzie King, our former prime minister, had decided to allow the throne speech debate to run for 30 days or more during which time he could get on with the business of parliament. I am not sure that I would be opposed to that. I think that a certain number of points would be made by the backbenchers concerning their own constituencies which would give to everyone a better understanding of some of the problems of the day. The issues which were raised by the press could be repeated in the house, and this would be similar to a continuation of the question period conducted throughout the whole day.

However, if an emergency arose, the democratic process could take over and the machinery would still be available to take care of the emergency. I am dubious when we refer

to the committee system in the United States which is often mentioned in the house by hon. members whose constituencies lie close to the United States border. There may be some arguments in favour of the system there, but it seems to me we must be very careful in following a system which would prevent us from dealing with emergencies as they arise. Lloyd George and Winston Churchill were mentioned today as statesmen whose contributions were not recognized until the need for them arose. The democratic process has allowed this, and in time of wars or calamities has provided the nation with leadership while preserving the rights of the individual.

I am not suggesting that the rules should not be changed, but I am still a backbencher at heart and will always remain one. Fundamentally, I believe that the rights of the individual are more important than some of our other collective rights. So, I think that if we eliminate the rules which allow the backbencher to have his say when he feels strongly enough on a subject, parliament will become poorer. This is what may happen if we structure the committee system in accordance with that followed by the United States congress. I do not believe this can happen in our parliamentary system. We would have to change to a republican form of government before being able to follow the congressional system. Perhaps there are some who might be prepared to support such a change, but at the moment the house is not faced with this proposition.

There are a number of things which the government should do if they really wish to reform parliament and about which they should inform the house, particularly the new members who are not really aware of what these changes may entail. I am sure many of us will be here for some time without really understanding all the rules. However, if the government is to be fair, it should not present parliament with a *fait accompli* and then say the majority would accomplish this anyway following a long debate. The government should be prepared to outline how far it intends to go in the changes which it proposes.

One of the things which has to be done I think is for the committee to consider the possibility of a four year term for the government. I have been here 11 years during which time we fought six elections. At least three of these elections were called because the Prime Minister decided it was to his personal advantage to call an election. In my opinion, in three of these instances he did not consider the interests of the country nor did he consider the members of his party or the opposition. He certainly did not consider the good of the country. I found during the last election that the people in the country were fed up with elections; they have had too many of them. They would like to see members get busy and at least do three years of work before contemplating another election. So, I believe that one of the changes will have to be a four year term for parliament. I suggest that this be done by statute and that the Prime Minister lose the prerogative of calling an election when it suits his fancy. At the same time, I believe we should consider the problems which this would entail in the case of a minority government. I say to the backbenchers on the government side that they should consider the possibility of a minority government being in office in the days to come. The rules should not only apply to the type of government which we have today, but should also be applicable in other cases.

I have a suggestion, therefore, which is contained in a bill, namely that when 15 members approach Mr. Speaker with a resolution to move the dissolution of parliament that motion should be put on the order paper and debated. When a majority of 75 per cent of the members approve this motion, an election be called. It is generally agreed that when members unanimously vote against the government and for a dissolution, the government has really reached the end of the road in any case. Parliament should have the right to make the decision on its dissolution. In any case, I believe this action should not be the prerogative of the Prime Minister. Such a change in the rules would create greater stability in parliament because, as hon. members who have been here in the last two or three parliaments will know, there has been a continuous election campaign during those periods of instability during which an election could have been called at any time, and very little work was done.

The government should also give some consideration to the cost of elections. If they are sincerely interested in reform, they will have to consider the provision of funds which they themselves will designate for the running of elections. In my opinion, this move would eliminate a great deal of competition and the scramble for money which goes on at that time. This will have quite an influence on the man who decides to run.

Consideration of Procedural Changes

• (9:20 p.m.)

Our Speaker has made a change possible by removing himself from political considerations and coming to this house as an independent. This may not be the answer to all our problems but I commend him for his initiative in this regard. He has come here without any obligation to any political party. Therefore, he may act in an impartial manner. This has been perhaps impossible for some of his predecessors.

The government house leader must give some consideration to this matter of attendance. I remember a former prime minister suggesting in the house that there were three legitimate roles of a member of parliament; his attendance here in Ottawa, his performance of government business and his performance of constituency business. That prime minister suggested that a member was legitimately in attendance when he was engaged in one of those three branches of his activities. It is very difficult to perform your role as a member of parliament here in Ottawa when you are participating in some function in your constituency.

I am actually ashamed and appalled by the requirement to sign that piece of paper covering our attendance in the house. Surely, a Philadelphia lawyer could not tell you what those ten or 15 words on that paper actually mean. They certainly do not convey what is intended. One would be lying if one answered yes or no. The question is similar to that well-known question; have you stopped beating your wife? I think this system is a farce and should be replaced by something which will require members of parliament to make a decision as to whether or not they were in attendance. This may involve the honour system, or a system similar to that used in the Senate. It may be all right to go to college during the four years you are a member, and that might be even better than staying away for other reasons, but I think the public expects members should be in attendance. If they are not in attendance, the public deserves to know why they are not.

The house leader did not mention today the role the government plays in getting things done. I have always been intrigued by the number of government orders which appear on the order paper and the manner in which the house leader changes the order of importance. Perhaps item number 5 will be of importance one day, followed by item number 7. Often, the house leader lists four or

five items to be considered the next sitting day, to be followed by other items if the house sees fit to pass the items listed. There must be some reason for putting off important items, other than the absence of a particular minister. Surely, the government has a responsibility to bring forward important legislation. If the house is seized with unimportant matters, those are the only matters to be passed. The government cannot suggest that legislation is being held up if it is not being brought before the house, and the government alone can bring forward that business.

Reference has already been made to the question period. Let me tell the young members here that a former prime minister, the right hon. member for Prince Albert (Mr. Diefenbaker) got up in this house and chastised a young member who had asked what that right hon. gentleman thought was a foolish question. He said at the time that the question only embarrassed the individual who asked it. He informed the young member that in his opinion only questions that embarrassed the government should be asked in this house. I have always considered this to be a fairly good rule of thumb. Many of the questions we have heard in the last few days seemed to be more embarrassing to the individuals who asked them than to the government.

In theory, the question period could last indefinitely. The Speaker has a role to play in this regard. He should play that role in a different manner than it has been played by at least one previous speaker. That gentleman said he had been able to curtail the question period. If any young member would like to know how the Speaker should not involve himself in curtailing the question period, he should read some of the lectures given by that speaker. Surely, the Speaker must be above giving lectures in the House of Commons. I hasten to add that our present Speaker has never placed himself in that position.

It is my belief that those responsible in various parties should exercise some control in the handling of the question period. The question asked today concerning security was an important question and should not have been dodged. If such questions are put off by the ministers, there is really no point in asking them. There must be responsibility on both sides. If an important question is asked, an attempt should be made to answer it. When an insignificant question is asked, the minister does not help the situation very much by making an effort to answer it. There must be some equality during the question

period, and the Speaker has a responsibility in this regard.

When the house leader asked for unanimous consent to reinstate the provisional rules, I considered the matter very seriously and was finally persuaded by some of my colleagues, after some coercion, to refrain from objecting. I wanted to refuse unanimous consent for several reasons. I do not think the new rules are any better than the old ones. I wanted the young members to realize that at one time we were civilized in this house and worked regular hours which permitted us to partake of the food in the dining room. After all, we did not always have to eat sandwiches behind the curtain. I wanted the young members to appreciate this so they would not think we were all on a continuous shift and had to bring our lunches.

I was also opposed to the provisional rule in respect of Speaker's rulings. As a member who challenged the Speaker's rulings more often than anyone else, I thought we had a good arrangement. I am sure the Speaker never considered that we were attacking him personally. He knew that we were using a gimmick to force a vote on something which had nothing to do with him. He was not offended, and I do not understand why anyone should think that such an appeal should be a calamity. This was a piece of parliamentary machinery that served my needs. I was not really opposed to this change, but I think some discretion could have been used.

In any event, the point I am trying to make is that the new rules are not much better than the old ones. They do take away some of the rights of members. Under certain circumstances, use is made of the guillotine provisions. I am opposed to them, and I think I always shall be. I do admit that certain circumstances are similar to those encountered by negotiators in strike settlements. The time finally arrives when a decision has to be made to settle a strike, but it is often very difficult to get the two sides together. There must be some ultimate method of ending a debate.

We face a danger in adopting changes of the type to which I have referred in that very often there is no balancing protection. I lay no blame at the door of the government house leader, because he has a job to do. He must work toward a position where the business of the government can be handled as quickly as possible and with as little debate as possible. In the extreme case there would be no debate, and I am sure the house leader would not want that. In that event, there would be no semblance of an opposition, without which democracy cannot work. His job is to see that we work in this direction, though his own backbenchers may object if they feel he goes too far. The official opposition would have to oppose it as much as possible, but in the matter of commitments I do think we are reaching common ground.

• (9:30 p.m.)

What is wrong with the committee structure is something very simple, I suggest. An hon. member can attend a committee for months and discuss detail as impartially as political animals can. The committee will make recommendations. These will be brought to the house and tabled, but that will be the end of them.

The committee system can be used, and I think it is safe to say was used in the last parliament, to such an extend that members find themselves running back and forth from one committee to another. I remember that I was never as tired as I was at the commencement of the last election. My colleagues tell me that this is a rat race, but let them wait until they have to attend four or five committees and find themselves running like rabbits from one warren to another.

I remember some hon. members used to carry their notes around in a large satchel. They would drop into a committee, get their name on the attendance roll, and then in a loud voice ask another member of the committee what was being discussed. They would attend one or two hearings of that committee in this way and accomplish little else than getting their name down. I suggest that the work itself is not important; it is whether some action is taken as a result of that work.

Under the present parliamentary structure committees can, without taking anything away from parliament, go into matters of detail and then report to the house. This report then becomes the subject of debate. The hon. member for Winnipeg North Centre (Mr. Knowles) indicated that the government house leader had suggested we could use the report stage for debate rather than the committee stage, which I think is a sensible position to take. I have always wondered what the point was in getting involved in committees. If I want to louse up some matter when it comes back to the house, I can stand up and louse it up. I do not need to go to committee to do that, so why should I go?

Let me give an example, Mr. Speaker. Twice during the course of 10 years I was a member of a farm machinery inquiry committee. Both committees in my opinion did an excellent job. Let us say that they made 10 concrete proposals to the government. Out of these 10 the government agreed with four. However, I felt that having spent all that effort and time listening to farm machinery companies and everybody else concerned, the government damn well should have taken action on those four recommendations.

Let me give another example for the farmers present. We found that fittings that connected the hydraulic system of a machine to the tractor required five or six different types of connectors. This meant that when a farmer bought a new tractor he had to buy a whole new set of adaptors. The committee suggested that there should be a uniform type of connector which would allow easy interchange hydraulically between farm implements and tractors. We suggested that there should be standardization of nuts and bolts. This was not very revolutionary, Mr. Speaker. Everybody thought it was a good idea, but you would have to go to the library to read about it because the government took no action on it. I expect someone will come along to the agriculture committee and suggest they study farm machinery prices. Why? If the house leader is really serious about the use of committees, then he must give the backbenchers that he sends to these committees some assurance that something will be done when their report is made. It can be accepted or rejected, but I will be damned if the government has the right to ignore it. This is what has happened to every committee report that has been tabled in this house.

The committees will have to have a permanent secretariat. I get tired of listening to civil servants telling committees that they cannot do this or they cannot do that; that they cannot tell them how to run their administrations. I think training has to be provided. A permanent secretariat will have to supply translation facilities and legal and research facilities for committee members. When this is done, then I believe that the committee system under our parliamentary structure will perform a legitimate function and not take away anything from anybody. When a committee reports to the house, in my opinion, only the committee report should be discussed. If this is the case, some provision must be made for a minority report because there are two sides to some questions. Most committees I have attended have hammered out their report, rewritten and modified it to the point where it is acceptable to all, yet a majority report would have been very hard to come by. In some cases, there is a majority report. If these reports are decided upon in the house, then the committee will have served some function.

I think that having members spending eight or 10 hours a week in a committee is a good idea only if there is some end result. If committees are merely a vehicle for keeping backbenchers busy, then I am not going to attend any more committees. If members see no advantage in going to committees, we will never shorten debate in this house. Any time limit set by the government will prove to be a minimum time for debate and the parliamentary timetable will become very full.

Many times, Mr. Speaker, I have had the opportunity of lousing up the government house leader on such questions as an Easter or Christmas recess and on July 1. I have done this not to be obnoxious but with a view to establishing permanent periods for getting things done. I have always felt that the government was being unfair to the opposition in holding a gun at our head and telling us that if we pass certain pieces of legislation we can have an Easter recess, but if we do not we are going to sit here. I remember one year when we even sat on Good Friday because I would not let the house adjourn. This has not happened since; we have always had an Easter recess and I presume that the present house leader wants to carry on that practice. However, Mr. Speaker, we should decide whether we are going to have a summer recess and when that recess should be. We should take into account the school year and other holidays, set the recesses forth in our four-year term, and we should be prepared to work within these periods.

I want now, Mr. Speaker, to say a word or two about estimates before leaving the committee structure. I have been impressed with the reports from the British House of Commons and from the Interparliamentary Union, which have defined the problem of estimates as one that exists in every parliamentary government in the world, including Russia. All have the same problem, a larger volume of business, a bigger gross national product. Every parliamentary government is unable to handle its estimates adequately. It appears the situation will not change and there is not a hope in Hades of examining estimates thoroughly. I am not sure whether we ought to

bother with examination of estimates. In England they no longer bother. Sometimes, in this country, we examine estimates after nine tenths of the money has been spent, the idea being under our rules that we must see where the money has gone before we vote the other one tenth. I do not see that we should be any the worse off if we did not discuss all estimates. In England, they discuss the policy behind estimates and government policy surrounding the administration of estimates. They do not discuss the pounds, shillings and pence aspect of each department. Every so often they take one or two departments and examine them in detail, just as we examine some items of expenditure in the public accounts committee. Each department receives close scrutiny probably every seven or eight years.

• (9:40 p.m.)

In this country we want to make certain that when the public accounts committee reports something to the government, the government acts on the report. When a similar committee reports to the English government, that government must report on what it did with the committee's recommendation. The report must be given within one year. Here we often take no action on any suggestion in the auditor general's report. Sometimes the government acts, and sometimes it does not. The matter often has to be decided by the house.

We must face many problems. It is safe to say that the government may expect co-operation in the changing of our committee structure. Perhaps the government house leader would indicate what his intentions are in this regard. He might say a word on the subjects of committee reports and the role of committees in our scheme of things. He has been chairman of several committees and I have always found him to be fair and reasonable. The fact he is government house leader may change that, so far as the attitude of the opposition is concerned. The President of the Privy Council (Mr. Macdonald) has only recently been elevated, and I am sure that he has not forgotten the frustrations he experienced as chairman of any committee. He must remember that some committee reports evoked no comment from the government. That was not a satisfactory state of affairs.

The government must look at the entire picture, but it must be careful not to emasculate the role of the opposition, because if it does attempt to do so it will gain very little co-operation. Ultimately, the government will gain more by having the co-operation of all members than by trying to force its own way. More is to be gained by agreement between the house leaders of all parties than through the operation of the internal business committee, which really has not been used so far.

Most Canadians welcomed the Prime Minister's announcement that he would attempt to reform parliament. He will find, I think, that the public is not looking for picayune changes. It is looking for major changes, and in this case, as the lawyers say, it is important not only that justice be done, but that it appear to be done.

I wish to say a few words about the subject of televising the procedures of this house. I hope that you, Mr. Speaker, will give consideration to the installation of permanent television cameras in this house. I hope that neither the C.B.C. nor any other network has control of those television cameras. They should be operated as the cameras in the United Nations are operated, and the film ought to be made available to the media at large. I submit that Mr. Speaker ought to be responsible for the administration of this televising in the same way that he is responsible for the verbatim reporting of the debates in this chamber. I suggest this because I have seen occasions in the past when crews of the various news media competed for space, not only in this chamber but in this building. I think newspapermen will agree with me that the television coverage of debates in this house may well modify their reports of those debates printed in newspapers, reports which so far have been exclusively furnished by newspapermen.

I hope you will give consideration to controlling this medium sir, and I hope that we may have an answer on this question from the appropriate authorities soon.

The Acting Speaker (Mr. Béchard): Order, please. Is it the pleasure of the house to adopt the said motion.

Some hon. Members: Agreed.

Motion (Mr. Macdonald, Rosedale) agreed to.

Consideration of Procedural Changes

HOUSE OF COMMONS

SPECIAL COMMITTEE—PROCEDURES RESPECTING INSTRUMENTS IN VIRTUE OF STATUTES

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

That a Special Committee of twelve Members, to be named at a later date, be appointed to consider and, from time to time, to report on procedures for the review by this House of instruments made in virtue of any statute of the Parliament of Canada.

He said: Mr. Speaker, perhaps I could take the few minutes remaining this evening to explain the background of the resolution, for the benefit of hon. members who did not participate in the throne speech debate or who were not present last week.

The hon. member for Peace River (Mr. Baldwin) has been a student of this question for some years, as have a number of other hon. members in the house including the Prime Minister (Mr. Trudeau). One of the arrangements made to deal procedurally with the problems coming before the house this coming autumn, and in any subsequent period, is the establishment of a committee for the purpose of studying procedures for the better review of statutory instruments, to use the technical term which they are given.

We spend a good deal of time in this house, and, quite properly, in examining details of legislation that is brought before the house, in debating the actual terms of the legislation and in amending legislation from time to time to bring it more closely in line with the aims which the government has in putting it forward or with any purpose which the house, generally, might find acceptable.

A great deal of the legislation which we have seen during our time in the house has contained a provision worded, one way or another, to the effect that for the further and better carrying out of the provisions of the legislation the governor in council is to be entitled to make regulations or orders, or is otherwise given authority to enact what is called delegated legislation, for the better carrying out of the statute.

We find ourselves in the position, therefore, that while a bill may receive intense scrutiny, the application of the bill is left to an administrative body. In fact, measures which may encroach most on the personal privacy, property and rights of the individual may actually be enacted by the administration without any opportunity being given for the elected representatives of the people to give them any direct review. This resolution does not propose to set up a standing committee on delegated legislation itself. What it does propose is that a special committee should be established for the purpose of examining our practice in Canada in this field of statutory instruments or delegated legislation to ascertain whether it would be advisable to set up some kind of procedure so that this house, more particularly through a committee, could make a better scrutiny of these subsidiary instruments by which rights are so much affected. I think there will probably be agreement in all parts of the house as to the acceptability of this motion. I confess that in putting the motion forward at this time we are scarcely engaging in a daring or pioneering step. I note that in 1932 the Senate of Australia set up a committee to review statutory instruments to see how they worked in that country and to study what the procedures were. In 1944, the House of Commons in Westminster set up a select committee on statutory rules and orders and since 1946 that committee, a standing committee known by the nickname of the scrutiny committee, has been charged with scrutinizing this kind of delegated legislation produced by the administration.

• (9:50 p.m.)

The increased use of orders and regulations has been a necessary consequence of the rapid extension not only in Canada but in all other western countries of government influence in broader areas of the economy and other areas of hitherto private endeavour, in line with the change in public philosophy to a more interventionist attitude. At the same time the standing procedures of the parliamentary system have not been extended to carry forward parliamentary control and our purpose in engaging in this proposed study is to see what might be done to provide continuing supervision of this kind of activity.

Perhaps I might refer to some related questions to make it clear that they are not being dealt with by this particular resolution. One of the means of controlling administrative action to prevent interference with the rights of the individual is of course by providing legal rights of recourse, either by appeal to the regular court system or by means of prerogative writs, where it is felt there has been a denial of what is described as natural law, or, to put it in non-technical terms, where there has been a violation of the ordinary rights of people.

This resolution and the committee to be set up will not deal with that subject matter. One of my responsibilities, as President of the Privy Council, will be to suggest further procedures which might be followed for the purpose of reviewing our system of administrative law and the system of appeals we have established. This is a responsibility I share with my colleague the Minister of Justice (Mr. Turner). If thought desirable, further means of enabling legal scrutiny of the administrative process will be suggested.

Another institution often discussed in this context is the Scandinavian system of ombudsman. Here again, this resolution does not directly at least involve the recommendation that we set up such an institution in Canada. I think it is fair to observe, however, that the British parliament has decided that a necessary corollary to its select committee on statutory instruments is the appointment of an ombudsman, or parliamentary commissioner as they call him, and they have recently established such a post.

The history of parliamentary consideration of this type of committee has been a long one in Canada. In 1943, the late Mr. Brooke Claxton, then a private member for St. Lawrence-St. George, commented—and I quote from *Hansard* for that year at page 296:

> The practice of tabling orders in council is, for all practical purposes, an empty form. I suggest that orders in council be referred to a committee for consideration—not all orders, but orders having the effect of legislation of a general nature.

Another notable Canadian who has shown an interest in this subject is the right hon. member for Prince Albert (Mr. Diefenbaker) who in 1945 advocated a Senate committee on orders in council to ascertain whether they impinge and infringe upon private rights. Again, in 1949 the right hon. member for Prince Albert advocated the appointment of a committee on ministerial powers to function in the same way as the scrutiny committee at Westminster. In short, what we want the committee to do, is to review what is done under delegated legislation and to recommend to the house the best means of carrying out the will of the people in such a way, as the hon. member for Timiskaming (Mr. Peters) has just said, as to make sure that justice is not only done, but appears to be done.

Perhaps I could call it ten o'clock, Mr. Speaker.

BUSINESS OF THE HOUSE

Mr. Baldwin: While we are to have the new era beginning next Thursday, perhaps I might be permitted to ask the leader of the house what we shall be doing tomorrow and the following day? Perhaps he could take us beyond the farm finance bills this time.

Mr. Macdonald (Rosedale): Tomorrow we hope to continue and perhaps dispose of the resolution which I have been introducing. Thereafter, we would call the resolution stage of the three farm financing bills Nos. 5, 6 and 7 on today's order paper. On Thursday, it is anticipated there will be an application for interim supply and if that is dealt with on Thursday or on Friday, we would return to the farm bills if they have not been completed.

On Monday next, or perhaps on Tuesday, depending on the action taken in the other place, it is anticipated that the bill to amend the Publication of Statutes Act will be reported to this house and it is the intention of the government to call that bill. It will be desirable to do so because we feel the house should determine whether or not the form of the acts should be changed before further legislation is passed. I hope that when the milennium arrives on Thursday I will be able to say what we will be going on with next week.

• (10:00 p.m.)

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

CANADIAN NATIONAL RAILWAYS—REQUEST FOR INCREASED PENSIONS FOR RETIRED EMPLOYEES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, it is my pleasure to welcome my fellow Winnipeger, the hon. member for Winnipeg South and Minister without Portfolio (Mr. Richardson), to the first late show of this first session of this new parliament. That, as he knows, is not the official name of this part of our proceedings but I think the fact that we have this popular nickname for it indicates that private members of parliament like the late show. It gives us an opportunity to expand on questions that may not have been given the attention we believe they deserve in the question period and, believe it or not, we sometimes get a better

answer. I hope my hon. friend from Winnipeg will give evidence of that tonight.

The question I put to the minister on the orders of the day yesterday morning, which is found at page 327 of *Hansard* for September 23, was as follows:

> Mr. Speaker, in the absence of the Minister of Transport I should like to direct a question to the Minister without Portfolio, the hon. member for Winnipeg South (Mr. Richardson). Will the new government take up with the Canadian National Railways the question of increasing the pensions of retired employees of the C.N.R.? I think the hon. member for Winnipeg South would like to reply to this question.

For reasons that are perhaps understood the minister did not answer on that occasion, and that is why I posted it for the first opportunity on the motion to adjourn.

As I am sure the minister knows, representing as he does the constituency of Winnipeg South in which a great many of these people reside, there are many retired employees of the C.N.R. who feel that they are entitled to an escalation in their pensions.

The principle of escalating pensions that are already in pay is not a new one. The federal government has recognized it in an amendment to the Old Age Security Act and in a provision in the Canada Pension Plan. A number of other governmental jurisdictions have accepted the principle, and a number of private employers have also accepted it.

Since I have only seven minutes I do not intend to launch into one of my full dress speeches, but I think this is one of the most pressing problems of pensions with which we must yet deal, namely the fact that people who have retired have as much right as anyone else to share in the improvements that take place after their time of retirement.

I can tell the Minister without Portfolio that there are figures on the pages of *Hansard,* going back a number of years, indicating the number of retired C.N.R. employees who are on pensions of various amounts, and I have questions on the order paper which will bring this information up to date in the next few weeks.

Just roughly I might point out that according to the last figures I was able to obtain there are still 388 retired C.N.R. employees on pensions of less than $25 a month. There are still 2,245 on pensions of $25 a month, and a total of over 8,000 on pensions of less than $80 a month. When one looks at the amounts of money in the Canadian National Railways pension fund, when one discovers that the interest being paid on that fund each year is an amount greater than is being paid out in pensions, one can understand that the employees feel on all counts that they have a right to an increase in their pensions.

Now, Mr. Speaker, this is not the time to debate the whole broad issue itself. I shall do that on another occasion. I know that I cannot expect the minister to tell me tonight that the increases I am seeking for retired C.N.R. employees, like the increases I am seeking for retired civil servants, are going to be announced. But I do hope he will give an affirmative reply to the question I put to him—will this matter again be taken up with the Canadian National Railways? I know it has been done in years gone by. On some occasions I think it was done with a certain amount of determination. More recently I think it has just been referred to the C.N.R. and the answer has come back that the management wanted to do nothing about it. Previous ministers have attempted to get rid of the matter in that way. I hope this new government, which is going in for a new approach to the problems of the people of Canada, will take this matter more seriously and hence my question to the Minister without Portfolio (Mr. Richardson): Will this matter be taken up with the Canadian National Railways?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, may I say first of all that I appreciated the suggestion which the hon. member for Winnipeg North Centre (Mr. Knowles) made yesterday morning that I might reply to him at ten o'clock. This has given me some opportunity to consider the question he has directed to me. I should also like to thank him, as a fellow Winnipeger, for welcoming me to the late show to make my first appearance.

I wish to say that I share the hon. members' concern for the retired personnel of the C.N.R. and in fact for all pensioners who find their fixed income inadequate in the face of the rising cost of living. The hon. member has mentioned some of the very low pensions. I am aware of the fact that at one time the C.N.R. did not have compulsory contributions to its pension plan. There are, therefore, today some pensioners who are receiving low pensions arising out of the fact that during their working years they were not members of a compulsory contribution plan and did not make personal contributions to a pension plan.

It is my understanding that pensioners in this category and also the pensions of all

retired employees have been reviewed frequently by officials of the railway. I can assure the hon. member for Winnipeg North Centre that the government will continue to consult with officials of the railways concerning the position of pensioners.

EXTERNAL AFFAIRS—NIGERIA—ACCEPTANCE OF INVITATION TO SEND OBSERVER

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, earlier today I raised a question with the Secretary of State for External Affairs (Mr. Sharp) concerning Biafra. Since I regarded it as a matter of considerable urgency I have requested that we discuss it tonight. I appreciate the fact that this evening I have, perhaps, more time to elaborate on this subject than I might have had this afternoon.

We have heard questions and comments from both sides of the house reflecting the concern of Canadians everywhere about the situation in Biafra and Nigeria. We have heard the Secretary of State for External Affairs explain the difficulties involved in taking this matter before the United Nations. We have heard of the efforts of the Canadian government to make food available in both the areas which have been recaptured by Nigerian forces, and in the area still controlled by the Biafran authorities.

I believe the number of questions on this matter indicates that we are still searching for the most useful role for Canada on this matter, and that we are striving to expand what we can do to reduce the suffering in that part of the world. Certainly, I am sure all members of this house who have directed questions to the Secretary of State for External Affairs, did so in the hope that perhaps we might be able to expand our efforts and do more for the victims of this tragic war. I was therefore very interested when the appointment of General Milroy, as a Canadian observer with the federal Nigerian forces was announced ten days ago. It was my feeling at that time, shared, I am sure, by other members of this house, that the presence of such an observer would have an inhibiting effect on the actions of Nigerian military personnel engaged in battle.

It is clear, however, that a team of one Canadian, one Swede and one Briton is not large enough to carry out the observations required.

• (10:10 p.m.)

I, therefore, directed my question to the Secretary of State for External Affairs, which I would like to repeat now. What steps have been taken to provide General Milroy with the staff that he so obviously needs to carry out his mission successfully?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I thank the hon. member for Esquimalt-Saanich (Mr. Anderson) for giving me an opportunity of answering at somewhat greater length than if I had been permitted to answer the question today at the opening.

The original invitation from the Nigerian government was for one observer from each of the countries that were requested to send observers, namely, Britain, Sweden, Poland, Canada, as well as the United Nations and the Organization of African Unity. The Nigerians have now agreed that each may have an assistant, and Major General Milroy, the Canadian observer, has recommended that one be provided. We are dispatching an officer, Lieutenant Colonel E. B. M. Pinnington, to Lagos tomorrow.

Canada's response to the Nigerian invitation for an observer was dictated by our anxiety for the innocent people affected by the fighting in Nigeria. General Milroy arrived in Lagos September 18 and has had a series of meetings with the other observers and with Nigerian officials, including a meeting with the head of state yesterday. The observers are leaving Lagos today to begin a tour of the battle areas. It will be recalled that we asked the Nigerians for assurances that the observers would have full freedom of movement. I am pleased to report that during his meeting with observers yesterday, General Gowan gave these assurances.

INDIAN AFFAIRS—ARMSTRONG, ONT.—REQUEST FOR ACTION TO RELIEVE POVERTY

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, in one of the semi-isolated northern corners of the Thunder Bay constituency there is an example of abject poverty, a social blight so serious that it would mar the landscape of any society, much less a just society. The majority of the Indian population in the Armstrong community for members of the White Sands band. These people, formerly located along the shores of Lake Nipigon, were forced to relocate as their fishing economy declined. The relocation took place over a period of years with no formal pattern or organization, with the result that the Indian community around Armstrong developed on a haphazard, squatter-like basis.

This land of opportunity for so many of us has given these people precious little. They live in shacks, through which the arctic winds blow. Their homes, if we can flatter their dwellings by calling them homes, are almost completely bare of furniture. They are one-room structures, often with uninsulated board floors, housing anywhere from eight to 12 people. Occasionally, there is part time employment for these people; there are welfare cheques for some, and the children are allowed to receive an education provided they leave home and attend a residential school.

The Indian Affairs branch has continued to provide schooling for all students of registered Indian status at residential schools either in Kenora, McIntosh, or at St. Joseph's school in Fort William. Approximately 35 children received this service in the past year. The Armstrong community had never considered the migrating Indian people as a part of their responsibility, and presumably this viewpoint was reinforced each time the branch made separate arrangements to school the Indian children in residences.

I hasten to add, Mr. Speaker, that the white citizens of Armstrong must not be made the culprits or the scapegoats for the situation there. What we see in Armstrong is the universal problem of cultural conflict, poverty and poor race relations. We cannot expect the citizens of Armstrong to come up with a solution to a complex problem where so many others have failed.

During vacation time, the children come home from the residential schools, but home to what? To poverty, disease and despair.

Some say, let these people wake up, show some initiative, and then they may deserve our help. But I ask, Mr. Speaker, does a medical doctor say to a man hit by a bus, "stir yourself, make an effort, and then I will render aid"? The Indian people of Armstrong have been knocked down and knocked out, socially and psychologically. In many ways, they are a primitive people who have come into contact with a larger, more developed and stronger culture, which consequently overwhelms them. They need help. My plea on their behalf is not merely for more handouts, although they must certainly be assured of life's necessities, particularly as they face another bitter northern Ontario winter.

What the community of Armstrong needs is more than just immediate aid, it also requires someone who can show them a better way. There must be placed in this community without delay a full time community development officer; one who is willing and able to patiently teach, guide and direct these people back into the main stream of Canadian life, a person who can gain the confidence of the Indian people and be trusted by them: I suggest that Armstrong become a pilot project in our attack on poverty, in particular as it affects the native citizens of Canada.

And so I repeat my question put in the house this morning to the Minister of Indian Affairs and Northern Development (Mr. Chretien):

In view of the desperate social conditions and shocking poverty which exists among the Indian people of Armstrong, Ontario, a situation which has recently been brought to the attention of the nation and which has resulted in the exclusion of Indian children from public school education in Armstrong, what immediate action does the government intend to take in order to remedy or alleviate this serious problem?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I would like first of all to congratulate the hon. member on his very impressive and heartfelt remarks about the Indian situation in the Armstrong area which is part of his constituency. I realize this is a very difficult situation and I can well understand the feelings of the honourable member.

The Indian situation in Canada, and especially the one relating to their poverty, is a problem that I have examined closely for the past two months. I want to assure the honourable member that I have spent many hours on this subject. On visiting several reserves, I have seen the same problem that exists in Armstrong.

With regard to the school situation in Armstrong, this is a case where explanations are in order. Admittedly, the federal government must look after the Indians in the educational field, and we have endeavoured to give the Indians who abandoned their reserves to live in the Armstrong region the best education available. Unfortunately, although the department has, on several occasions, proposed to the local authorities, besides granting financial assistance for the educational costs of these students, to defray the capital costs for enlarging the school facilities in that locality, the offer has not been accepted by the municipality nor by the authorities concerned. This caused the department to send these students of Indian origin to pursue their studies in surrounding municipalities such as Fort William and other places mentioned by the hon. member.

I would like to assure to the honourable member for Thunder Bay (Mr. Penner) that our main concern in this case consists in taking all the necessary measures in order that the children living in the Armstrong municipality may be given their education in that municipality and kept with their families.

I asked departmental officials to continue trying to negotiate with the provincial and local authorities in order to allow the children to go to school. In my opinion, it is important that Indians should be able to receive the same schooling as whites and, if possible, attend the same schools, because they must be considered as being on an equal footing with other Canadian citizens and as having a right to the same social benefits. They should therefore be able to sit on the same school benches as white children.

I can assure the hon. member that I am very concerned with this problem of Armstrong, and in particular with the problems of education, sickness and underemployment. I thank the hon. member for having brought this problem again to the attention of the public.

Some hon. Members: Hear, hear.

Motion agreed to and the house adjourned at 10.24 p.m.

HOUSE OF COMMONS

Wednesday, September 25, 1968

The house met at 2.30 p.m.

REVISED MAIN ESTIMATES, 1968-69

A message from His Excellency the Governor General transmitting revised estimates for the financial year ending March 31, 1969, was presented by Hon. C. M. Drury (President of the Treasury Board) and read by Mr. Speaker to the house.

STATEMENT BY MINISTER FOLLOWING TABLING OF REVISED ESTIMATES

• (2:40 p.m.)

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, it may be of assistance to the house to have a brief statement on the revised estimates for 1968-69 which have just been placed on the table. The original estimates for the fiscal year ending March 31, 1969 were tabled during the last session of parliament. However, their consideration was not completed during that session, so that estimates for the current year must be introduced during this session.

Last March the then minister of finance gave an undertaking to the house to reduce expenditures for 1968-69 by $75 million and to table a revised schedule of estimates. The revised estimates just tabled reflect reductions of some $80 million in controllable programs for which funds have to be voted annually by parliament. These reductions are shown by department and agency on columns 2 of pages 6A and 6C of the revised blue book.

Certain other developments which have occurred since March have made it necessary and desirable to amend further the original estimates. On July 12 last the Prime Minister (Mr. Trudeau) announced certain transfers of functions among ministers. These changes are also reflected in the revised estimates; and departments and agencies have been grouped under the minister responsible for them.

The passage of time since last winter, when the original estimates for 1968-69 were prepared, has made it possible to up-date and refine expenditure forecasts for statutory programs which are traditionally shown in the blue book, but for which funds do not have to be voted annually. In addition, we have included in the revision expenditure estimates for two statutory items which do not appear in the original estimates. I should like to emphasize that, with respect to all these statutory items, parliament has already appropriated the necessary funds in the substantive legislation which authorized these expenditures.

For most of these statutory programs, payments by the federal government are determined by a number of factors defined in the legislation itself and the government has no choice but to make the payments called for, unless parliament decides to modify the legislation. For instance, payments to provinces under the Hospital Insurance and Diagnostic Services Act, under the Canada Assistance Plan and for post secondary education depend upon the level of expenditures incurred by the provinces which the federal government must then match.

In order to present to parliament up to date estimates of total budgetary expenditures for 1968-69, a number of statutory items—identified on page 6C of the blue book—have been revised upwards by $433 million in total. I should add that the increases in the three programs I have just mentioned account for some $229 million of the total. Another $67 million of the total increase is attributable to additional public debt charges, and the inclusion—for the first time this year—of statutory expenditures for medicare and last June's general election account for a further $49 million.

Finally, we have included in the revision the following essential requirements, totalling $33 million, for which parliament will be asked to appropriate funds. An additional amount to cover the anticipated operating loss of the Farm Credit Corporation during 1968-69 of $1,400,000; payments to the United States mint for coin production to meet the high demand for coinage, $210,000; additional provision for the Treasury Board contingencies vote for anticipated public service salary adjustments arising out of collective bargaining, $25 million; an addition to the original provision for the government's share of the premiums for the group surgical-medical

insurance plan required as a result of the participation in medicare of fewer provinces than expected, $6,218,000. In total, these changes bring budgetary expenditures for 1968-69 to a figure of $10.671 billion.

The house will be aware that the estimates blue book contains not only the anticipated expenditures of a budgetary nature but also lists those loans, investments and advances which parliament is asked to vote. Since the original main estimates were prepared, several essential requirements have arisen. A list of these, which total $200,026,812, will be found on page 6D of the revised blue book. The bulk of this requirement is accounted for by two large items, neither of which appeared in the original estimates. They are: additional contributions to the International Development Association, $81,081,000; and deposits in the Bank for International Settlements in Basle in support of sterling, $107,343,750. These additional requirements bring the loans total for 1968-69 to $684 million.

I trust that hon. members will find useful the statement on pages 6A, 6B, 6C and 6D of the revised estimates which shows for each department and agency the relationship of original estimates to the revised estimates for 1968-69.

I move:

That the message of His Excellency, together with the estimates presented this day, be referred to the committee of supply.

Hon. Robert L. Stanfield, Leader of the Opposition): Mr. Speaker, would the minister permit a question for clarification purposes. Am I correct in assuming that the estimates that are being tabled today are in fact some $400 million higher than the estimates tabled last spring?

Mr. Drury: Mr. Speaker, there has been an increase in the total of the estimates—

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. I suggest to hon. members that it is irregular to have debate on this type of matter. It is in order, under the standing orders, for spokesmen on behalf of opposition parties to make comments. I see the hon. member for Edmonton West seeks the floor.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, with the greatest respect the question put by my leader was of great help. After all, since we have no copy of the blue book but have heard only the lengthy statement the minister read out, it is impossible to make any meaningful comment other than to say, "Well, tomorrow we shall have interim supply and very likely we shall have more to say."

In so far as, shall we say, the accuracy and nature of the estimates, my only comment is that of course the government has had six months experience in refining and honing these estimates.

Mr. Diefenbaker: And in trimming the taxpayer.

Mr. Lambert (Edmonton West): Of course the money has already been spent. The government knows what is contained in the estimates and it knows that what it will present really are not estimates. We shall be looking at some sort of quasi public accounts. I think we shall have more to say about that tomorrow.

Mr. Baldwin: We have a $400 million bill here.

Mr. Woolliams: What happened to the philosophy of pay as you go?

Mr. Baldwin: It's go as you pay.

Motion agreed to.

FINANCIAL ADMINISTRATION ACT

TABLING OF STATEMENT SHOWING SPECIAL WARRANTS

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, by leave I would like to table the report to the House of Commons, of September, 1968, being a statement showing special warrants issued under section 28 of the Financial Administration Act following dissolution of parliament on April 23, 1968.

Mr. Speaker: Is it agreed that the minister table this report?

Some hon. Members: Agreed.

HOUSE OF COMMONS

STATEMENT RESPECTING ATTENDANCE OF MINISTERS DURING QUESTION PERIOD

Right Hon. P.-E. Trudeau (Prime Minister): I should like to make a statement in connection with the attendance of ministers in the House of Commons during question period. It has been the practice in the Canadian House

of Commons for as many ministers as possible to attend daily at that time. The desirability of continuing this practice has been questioned. For example, the special committee of the House of Commons on procedure of the house stated in its fourth report:

> We believe that a minister ought to have more to do than to sit in the chamber each day just in case a question may come his way.

The problems of government today require in the national interest that ministers have more time to devote to departmental business than is now available during the day. In an attempt to provide extra time to ministers, a change was made last spring in the system whereby the cabinet handles its business. The cabinet committee system was restructured and regular meetings of the cabinet committees are now scheduled. This has permitted the cabinet and its committees to examine more thoroughly and expeditiously the ever-increasing number of matters before it. At the same time, the meetings of the cabinet committees have been scheduled in such a way that each minister will be free from committee attendance on certain days of the week.

I am now asking the co-operation of the house in the trial of an arrangement with respect to ministerial attendance during the daily question period. I am proposing that all ministers will attend on Wednesdays, and each minister will attend, in addition, on two other days each week. I will try to be here when orders of the day are called each day.

A roster of ministers in attendance on different days will be prepared and provided to members. It will, of necessity, remain fixed and will be subject to variation only in very exceptional circumstances. This is necessary if the ministers are to have an adequate opportunity to administer their portfolios, and if hon. members are to know each day which ministers will be in attendance.

It is only after very careful consideration of both the parliamentary and executive responsibilities of the government that I am proposing this arrangement. I fully realize the importance of members being able to question the ministers of the crown on important matters relating to the policy and actions of the government. There is no doubt in my mind about the need to keep ministers answerable to this house, or about the key role of the question period in enabling members on both sides of the chamber to make ministerial responsibility a fact of our parliamentary life. This is fundamental to our system. I suggest that the proposed arrangement does not conflict with that principle or with its effective operation. I do feel that the relatively small disadvantage of not having every minister in attendance every day for possible questioning on precisely that day is far outweighed by the advantage to the public interest in providing the ministers with more time to devote to administration and planning, while still being available three days out of five to answer questions.

• (2:50 p.m.)

In closing, I want to emphasize that I am not proposing a rota system of the kind now followed at Westminster. That system works in such a way that very often only one minister answers questions on any one day after a period of notice sometimes as long as three weeks. I am asking this house, under these arrangements, to try a situation in which one half of the ministers would be here every day of the week except Wednesday, when all of them would be here. I assume that, at least for the moment, it is not the intention of the house to impose a notice requirement more stringent than what now prevails.

Hon. Robert L. Stanfield (Leader of the Opposition): It is most regrettable that the Prime Minister and the government should have chosen to make a unilateral decision on a matter which so vitally affects the relationship between ministers of the crown and the House of Commons. It is particularly unfortunate in the light of the fact that the house recently reached agreement on provisional rules, establishing a reference of the question of permanent rules to a committee which is to be set up. It is, I think, most regrettable that this question, along with other important questions to be considered, was not referred to the committee rather than decided unilaterally by the government.

I am at a loss to understand why the government should have felt it necessary to take this unilateral course of action on a matter of such importance, especially when the committee is to report back with regard to permanent rules by December 1. Why was a matter of such importance to the house not referred to the committee instead of being decided by the government itself?

I am not in a position to question the authority of the government to take this decision, but it is clear that the length of the question period has been covered by the provisional rules, the rules now in effect. In

other words, this is a general subject which has been covered by the traditions and, specifically, by the rules of the house and I do not think it is a very good omen for the future consideration of our rules when this kind of unilateral decision is taken by the government especially, as I said, after agreement relating to provisional rules had been reached and shortly before a committee is to go to work on the whole question.

I notice in passing that the day on which all the ministers are to be here is about the shortest question period of the week—30 minutes. I simply want to say, Mr. Speaker, that I think this is regrettable. I think it indicates the attitude of the government toward the house. I think a unilateral decision of this sort tends to downgrade this house. I ask the Prime Minister and his colleagues not to proceed with the matter in this way, but to refer it, along with the general question of rules, to the committee that the house has authorized to be established.

Some hon. Members: Hear, hear.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I join with the Leader of the Opposition (Mr. Stanfield) in registering a protest against this unilateral decision, and I also join with the Leader of the Opposition in asking the Prime Minister (Mr. Trudeau) and the government to suspend putting this system into operation until the matter has been considered by the special committee which was agreed to yesterday by a unanimous decision of the house.

I do not think the Leader of the Opposition was too strong at all in suggesting this is a slight that is being handed to this house. As a matter of fact I think it is offensive—

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): —the day after we agreed unanimously to a committee on procedure, the day after this very question was discussed across the floor of the house and opposition was expressed to it, for the government to make this announcement today. I must point out that the very work of the special committee is already jeopardized.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): We have had pretty satisfactory discussions among house leaders and I felt from those discussions that we could have an effective committee. Almost immediately, however, the question will arise that if we do not agree to something the government wants, then the government will do it unilaterally.

I hope the Prime Minister will reconsider.

Mr. Woolliams: We are the masters of this house.

Mr. Knowles (Winnipeg North Centre): The Prime Minister stood in his place today and paid lip service to two principles. One is that it is the essence of our system that members of parliament meet the cabinet, meet the ministers across the floor of this house. The second principle affecting our system is the importance of the question period. But I say this is only lip service when the Prime Minister turns around and says that on certain days we are not going to be able to meet the ministers, on certain days we are not going to be able to exercise the question period as we have been exercising it in the house for many years.

I want to urge for the consideration of the Prime Minister and others, and for the consideration of our friends of the press, that the question period is not one of the main trouble spots in the procedures of this house.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): During the question period members are here and the galleries are full. A certain amount of political warfare does take place, but without political warfare parliament is not parliament. I suggest that this whole aim to downgrade the question period, to have some ministers not here, is a backward step in terms of the operation of the House of Commons.

I point out one other thing. One of the problems we have in the House of Commons—we have it in all parties and there are times when we have it in ours as much as in others—is maintaining full attendance in this chamber. The house is not always fully attended all day, as members know. Now we are going to have the example that during the question period, which is regarded as a most important period when attendance has been full, some of the ministers, up to half of them on most days, will not be here.

I think this is bad for the image of parliament, and I hope that those who write about the image of parliament will say so. The Leader of the Opposition has already referred to the fact that it is a bit of an empty gesture to have all the ministers here on Wednesday.

On that day the question period lasts only 30 minutes, but we are to have all the ministers here then, with their knowing that many of the questions to be asked will not get to them.

If we are going to have a question period like this, let us have it on Monday when we have an hour, or let us have an hour for the question period on Wednesday; but either way I think it is a retrograde step. It downgrades the importance of the question period, the time when the political warfare takes place. Above all, Mr. Speaker, I think it is an offence, an insult, a slight to parliament for this unilateral decision to be announced the very day after we, in good faith, unanimously agreed to set up a special committee to study the rules and procedures of the house. I hope the government will reconsider its position.

Some hon. Members: Hear, hear.

• (3:00 p.m.)

[*Translation*]

Mr. André Fortin (Lotbinière) Mr. Speaker, my first words on behalf of the Ralliement Créditiste will be to say that the statement just made by the Prime Minister (Mr. Trudeau) is an act of sabotage with regard to a democratic government which must be responsible and which is answerable to the House of Commons.

I have the impression Mr. Speaker, that the Prime Minister has made a mistake by failing to ask the views of the various opposition parties before making a statement which cancels yesterday's very interesting and very brilliant discussions about the creation of a committee to study parliamentary reform.

We fully agree with the Prime Minister that the government and the ministers should be more efficient, because there is room for improvement there. However, if cold water is thrown on democracy right here in the Canadian parliament, without any warning being given to the opposition members, that amounts, in my opinion, to an act of sabotage which should be unanimously condemned.

On that matter, we, of the Ralliement Créditiste, fully agree with the proposals made by the Leader of the Opposition and the hon. member for Winnipeg North Centre (Messrs. Stanfield and Knowles), who have just blamed the government.

Mr. Speaker, we are against this proposal even though it seeks to increase the efficiency of the government. We would rather have the matter referred to the parliamentary committee set up last night, and we should make use of it.

To save democracy, we therefore ask the Prime Minister to revise his position as soon as possible.

INDUSTRY

AREA INCENTIVE PROGRAM—CHANGES AFFECTING ELIGIBILITY

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, I wish to outline the plans of the government concerning its policy on subsidies to encourage industrial expansion in those areas where exceptional intervention is necessary to improve the employment situation.

As we have done regularly in the past, we have continued to check the designated areas periodically on the basis of the present criteria, in order to determine whether changes should be made.

As a result of that analysis, we added a new area to the list, namely the one which corresponds to the Lévis federal manpower centre, near Quebec. Neighbouring areas of Ville Saint-George, Mégantic and Montmagny have, for some time, been included in a designated area. Lévis is in the same economic area, that of the Chaudière valley, which on the whole meets the requirements for eligibility. The low level of average income for non-agricultural families is only one indication of the underemployment which exists in that area.

That is the only change made in the list of designated areas under the present rules of the program, Mr. Speaker. However, the government is considering much more important changes in the future.

The proposed changes will be implemented in two stages, since there are two acts governing the program. First of all, an area is designated according to the second part of the Department of Industry Act. However, the actual ways in which financial assistance is given to the eligible areas are set out in the Area Development Incentives Act.

The second part of the Department of Industry Act will therefore be replaced by the bill on the reorganization of the government which will, among other things, suggest the creation of a new department to take over the work of various agencies which, up until now, have dealt with different aspects of economic development.

In order to avoid uncertainty in the business world, I would like to emphasize that the government does not want reorganisation

to result in the elimination of the program relating to the underdeveloped regions. As long as new legislation concerning incentives has not been introduced, those incentives will be made available throughout the regions now considered underdeveloped under the law being administered by the Department of Industry.

Furthermore, the bill concerning government reorganization that will be introduced shortly will establish the basic principles under which underdeveloped regions will be recognized. Therefore, I agree with the Prime Minister's comments on this subject a few months ago. Consequently, a region will be considered underdeveloped either because it has a low level of employment in the region concerned or because employment is low on the whole territory including that region.

This policy is much less restrictive than the one prevailing in the past. Its first results will be particularly important for the Maritime provinces. Should parliament adopt this new principle, the result will entail the admission of the three regions now under the responsibility of the Maritime provinces manpower centre that have until now, been excluded from the program. Those regions, Mr. Speaker, are Halifax, St. John (N.B.) and Fredericton. It is our intention that the incentives being offered by the development agency shall be made available to these regions, and that will be possible as soon as parliament has agreed to the government recommendations concerning reorganization.

I would like to say a few words about the second group of changes that we propose to introduce. These changes are related to the present incentive program.

The legislation governing incentives for the development of certain regions will expire on a precise date. Grants are only available for those projects which will be completed or in operation on March 31, 1971. In view of the fact that two years or more might elapse between the formulation of a project and its realization, new legislation will soon be necessary. It is the intention of the government to introduce such legislation very early next year.

That legislation will follow a serious study of the whole depressed areas incentive program. The review has already advanced far enough for me to state that it will involve significant changes. I hope that we might avoid some aspects of the program in operation, which have not been very productive and, at the same time, we want the incentives to bring about results where the need is the greatest.

As I said earlier, it is very important not to leave the industry unaware of what is going on during the review period. That is why I wish to emphasize at this time that the government in its new legislation will propose transitional measures in order to protect the interests of corporations which are now planning to invest in the designated areas. If those corporations are eligible for incentives under the present legislation, those incentives will be made available to them and will be paid to them even though, for major reasons, the industry concerned will be able to start its production only after March 31, 1971, the deadline in the present legislation.

[*English*]

Mr. Max Saltsman (Waterloo): Mr. Speaker, I am glad the government has today recognized what has been known by almost everyone in this house for the last five years; that is, that the three manpower regions in the maritimes should be designated. What is disappointing in the statement made today is that there seems to be no realization that if an area development program is to be a true development program it should be based on a better criterion than unemployment. We know that unemployment is a serious problem. We have raised this matter with the government on different occasions.

An area development program cannot solve the problem of unemployment. We need a greater and more general policy than that. An area program should be one which would take into consideration the potential growth of the area rather than treat an area as a charity case. As is the case now, in many instances the area development program has been a cruel hoax or promise held out to the people which did not materialize, and which did not increase their prosperity.

I hope that when the minister develops the program he will establish a new department to co-ordinate the various programs which exist now and that he will seriously consider the importance of seeking new criteria of long term growth and stability for the areas, rather than what I think is the technically faulty criterion of unemployment. It is not adequate for the purpose and does not solve the problems of the people who are involved in these areas.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to say to my friend the minister that I am pleased that the policy regarding designated areas is being revised to make it possible to treat the maritime region as a designated area, which I think is the effect of what he has announced. I also understand that the minister stated the program has a limited life and will expire in 1971. This statement therefore, by itself, so far as anything firm is concerned, is of limited value and will be effective for a limited period. The important thing is the policy that the minister proposes to introduce. Naturally I will not try to pass judgment on that in advance, but I am sure the whole country is looking forward with great interest to an announcement of its contents.

• (3:10 p.m.)

Let me emphasize again that for any policy to be effective for the development of regions of slow growth there must be a very high degree of co-ordination of the policies of governments. Certainly if this policy is to be effective we must have a very high degree of co-ordination of the policies and the departments of this government.

I am concerned that the program the government has in mind involving the establishment of a new department with certain responsibilities of a regional nature will fall far short of obtaining the required co-ordination, and may have the disadvantage of encouraging other ministers to feel that they no longer have any responsibility for the development of regional policy.

Let me emphasize once again, before the government presents its policy to the house, the importance of this highest possible degree of co-ordination for the development of regional policy in areas of slow growth, if it is to be at all effective. As I have said, we are looking forward with great interest to an announcement of specific policies and programs, and I hope the minister will be able to make this announcement at an early date.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I listened very attentively to the statement made by the hon. Minister of Forestry and Rural Development and there is no doubt that the member for Lévis (Mr. Guay) was happy to hear it. I understand that the decision to make the region of the city of Lévis a designated area fulfils an election promise which could not have been kept otherwise.

As for the Maritime provinces, I think that they will welcome the improvements the minister intends to bring by way of designating areas. We must not believe that the Maritimes are the only provinces which got very little out of the legislation on designated areas, as we knew it before.

For example, my riding is encircled, as in a horseshoe, by neighbouring designated areas, especially on the Ontario side. Therefore, and for the greater good of my area—Abitibi, that I know well—I should like to ask the Minister to recognize that there exists a third criteria in the manner of designating the areas. We know that the low level of employment, the high level of unemployment, the low salaries contribute to designate an area.

In my view, the minister should also admit the fact that the decreasing demography of an area should be taken into consideration while designating areas in order to incite new industries to establish there and stabilize the economy.

Those are the remarks that I wanted to make, Mr. Speaker, in connection with the statement made by the minister. Later, when more direct propositions are made concerning the establishment of a new department, we will have at that time the opportunity to express our point of view.

[*English*]

AGRICULTURE

CORN—CONCURRENT ACTION TO HELP IN MARKETING

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I should like to make a brief statement regarding the action that has been taken and the action contemplated to deal with the serious situation in the corn marketing areas of Ontario.

As you will be aware, there have been a number of questions directed to me from both sides of the house during the past few days. In addition to that, I have received representations from the Ontario Federation of Agriculture, the Ontario Farmers Union and many other organizations representing corn producers in Ontario. They have suggested solutions, or partial solutions such as accelerated depreciation on storage, freight assistance, price support levels, extended research for some new and better varieties and restrictions on imports of corn.

I have been discussing this matter with the Minister of Agriculture for Ontario because obviously some of the solutions suggested clearly lie within the jurisdiction of the province. I simply want to advise members now

that as soon as possible, and this will be within a few days or perhaps early next week, as soon as the officials of my department and the officials of the Ontario department of agriculture can work out the details of what can be done, we intend to have a meeting of the two ministers and their officials to try and work out a solution that will be effective.

After examining the problem and the suggested solutions we hold the opinion as of this date that concurrent action by both levels of government within their jurisdiction is the only effective solution to the problem.

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, speaking as a representative of this party and of the farmers of this country I should like to say that the statement by the Minister of Agriculture today is in its entirety unacceptable to the farmers of this nation. For 18 months we have been pointing out to the government, as have the farm organizations, the state of the economic climate surrounding this great commodity. Many of the farm organizations have made at least four representations to this government in the last few months. At this time, when we are in the middle of the harvest for this year and when the market has collapsed already to such a degree it is quite apparent that the farmers of this nation will not recover their investments, the minister stands in his place and says this is a joint responsibility between the federal and provincial governments. At this late date he is suggesting that we call in the ministers of the provinces concerned to meet with the federal department to discuss this problem in order to see whether some solution can be found.

The minister has spoken of research in respect of new varieties, freight subsidies, and whether or not some restrictions can be placed on the importation of this commodity into this country. The farmers of this great nation expected concrete efforts on the part of this government, and an announcement today outlining the ways and means whereby a minimum price acceptable to the farmers would be established in order that advantage might be taken of that price during the current crop year.

The members of this party and the farmers of this nation will realize that the action taken by the government today will do nothing to alleviate the suffering and that it is an attempt to gain time. If this course is followed I doubt very much whether any action will be taken in time to help the farmers in respect of the 1969 harvest, let alone the harvest about to take place.

• (3:20 p.m.)

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, a few days ago I put a question to the Minister of Agriculture (Mr. Olson) asking him whether some assistance would be given to farmers in the form of accelerated depreciation for grain storage in order to help them with storage problems, not only in the corn area of Ontario but also in the wheat area in western Canada. With regard to the second matter, regarding wheat, I did not hear him make any statement of the government's intention to assist the farmers there. We are faced with a very serious problem of grain storage in western Canada which, as has been pointed out with regard to corn, was evident six months ago. It has now been compounded by the extremely difficult harvesting conditions, and according to the latest report certain areas in western Canada may well be facing disaster for much of the harvest. I would appreciate an early statement as to the assistance which may be given with regard to storage and a clarification of the additional provision made for drying grain, because we will have a great deal of damp, tough and damaged grain, and I think we should have a statement in this regard very early.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, like the other members, I just took cognizance of the statement delivered by the Minister of Agriculture (Mr. Olson), concerning corn in the province of Ontario.

I should like to ask the parliamentary secretary to the hon. minister (Mr. Côté) whether similar steps have been taken in cooperation with the Quebec Agriculture Department authorities in order to find a solution to the same problem existing in that province. Corn growing in the province of Quebec is increasing from year to year and the Quebec producers are obviously more and more interested in getting subsidies from the federal government, through agreement. The problem lies obviously within the federal and provincial jurisdictions and concerns agriculture in the province of Quebec. Therefore, as a representative of the farmers in the eastern area of that province, I would suggest to the Parliamentary Secretary to the hon. Minister of Agriculture, if this has not been done yet, to enter into negotiations with the province of Quebec, for the benefit of the farmers in the eastern area of that province.

[*English*]

PARLIAMENTARY SESSIONS

MEASURE TO PLAN SITTINGS

Mr. S. Perry Ryan (Spadina) moved for leave to introduce Bill No. C-104, to provide for the length of sessions of parliament.

Some hon. Members: Explain.

Mr. Ryan: Mr. Speaker, this bill would plan the sessions of parliament, and particularly the sittings of the House of Commons. I introduced a similar bill to this one in the last parliament and it was debated for an hour.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

OLD AGE SECURITY PENSION AND SUPPLEMENT

Question No. 3—**Mr. Knowles (Winnipeg North Centre):**

1. How many persons in Canada, by provinces, are in receipt of the Old Age Security pension?
2. Of the recipients of the Old Age Security pension, how many persons in Canada, by provinces, are in receipt of the Guaranteed Income Supplement?
3. Of those receiving the Guaranteed Income Supplement, how many persons in Canada, by provinces, are receiving the full amount?
4. What is the average amount, in Canada and by provinces, being received as a Guaranteed Income Supplement by recipients of the Old Age Security pension?
5. Do the answers to the above questions take into consideration persons living outside of Canada who are in receipt of the Old Age Security pension and, if so, how many of such persons are there, and if they are considered as belonging to the various provinces what is the number for each province?

Hon. John C. Munro (Minister of National Health and Welfare): 1. As of July 31, 1968:

Newfoundland	26,012
Prince Edward Island	10,603
Nova Scotia	60,020
New Brunswick	44,857
Quebec	314,030
Ontario	506,714
Manitoba	78,936
Saskatchewan	78,507
Alberta	92,355
British Columbia	163,546
Northwest Territories / Yukon	1,020
Total	1,376,600

Questions

2. As of July 31, 1968:

Newfoundland	21,222
Prince Edward Island	7,818
Nova Scotia	38,829
New Brunswick	28,732
Quebec	191,536
Ontario	230,712
Manitoba	43,932
Saskatchewan	40,661
Alberta	50,667
British Columbia	81,096
Northwest Territories / Yukon	760
Total	735,965

3. As of July 31, 1968:

Newfoundland	17,540
Prince Edward Island	5,310
Nova Scotia	25,763
New Brunswick	20,567
Quebec	133,060
Ontario	124,994
Manitoba	25,572
Saskatchewan	23,692
Alberta	30,810
British Columbia	47,613
Northwest Territories / Yukon	696
Total	455,617

4. As of July 31, 1968:

Newfoundland	$28.69
Prince Edward Island	27.21
Nova Scotia	27.35
New Brunswick	27.70
Quebec	28.06
Ontario	25.88
Manitoba	26.62
Saskatchewan	26.69
Alberta	27.42
British Columbia	25.74
Northwest Territories / Yukon	30.30
Canada	$26.77

5. Yes.

Statistical records are maintained of the number of Old Age Security pensioners who are being paid while outside of Canada. These records include both pensioners permanently residing outside of Canada and pensioners visiting outside of Canada.

Questions

As of July 31, 1968:

Newfoundland	95
Prince Edward Island	49
Nova Scotia	307
New Brunswick	269
Quebec	2,227
Ontario	4,392
Manitoba	570
Saskatchewan	495
Alberta	611
British Columbia	2,860
Northwest Territories / Yukon	9
Total	11,884

PENSIONS OF RETIRED R.C.M.P. PERSONNEL

Question No. 6—**Mr. Knowles (Winnipeg North Centre):**

1. How many retired Royal Canadian Mounted Police personnel are receiving pensions of amounts within each of the following brackets: (a) less than $20 per month (b) $20 to $29.99 per month (c) $30 to $39.99 per month (d) $40 to $49.99 per month (e) $50 to $59.99 per month (f) $60 to $69.99 per month (g) $70 to $79.99 per month (h) $80 to $89.99 per month (i) $90 to $99.99 per month (j) $100 to $149.99 per month (k) $150 to $199.99 per month (l) $200 to $249.99 per month (m) $250 to $299.99 per month (n) $300 per month and over?

2. How many widows of R.C.M.P. personnel or of retired R.C.M.P. personnel are receiving pensions of amounts within each of the brackets indicated in the above question?

3. What is the number of retired R.C.M.P. personnel and also the number of widows of R.C.M.P. personnel or of retired R.C.M.P. personnel presently residing in each province?

4. In respect of how many orphans of R.C.M.P. personnel are pensions being paid and what is the average amount thereof?

Hon. G. J. McIlraith (Solicitor General): 1. (a) Nil; (b) 1; (c) 5; (d) 8; (e) 18; (f) 40; (g) 51; (h) 45; (i) 54; (j) 401; (k) 387; (l) 336; (m) 279; (n) 597.

2. (a) 7; (b) 11; (c) 10; (d) 19; (e) 21; (f) 22; (g) 11; (h) 8; (i) 12; (j) 55; (k) 27; (l) 10; (m) 5; (n) 5.

3.

Province	Retired Personnel	Widows
Newfoundland	26	2
Prince Edward Island	16	Nil
Nova Scotia	179	10
New Brunswick	78	6
Quebec	168	7
Ontario	494	51
Manitoba	117	11
Saskatchewan	139	5
Alberta	314	30
British Columbia	593	92
Northwest Territories	14	Nil
Outside Canada	84	9

4. 109, Average $21.72 per month.

R.C.M.P. SUPERANNUATION ACCOUNT

Question No. 7—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money in the Royal Canadian Mounted Police Superannuation Account as at (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

2. What rate of interest does the Government pay for the use of this money?

3. What amount of interest was credited to the Royal Canadian Mounted Police Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

4. What was the total amount paid out of the Royal Canadian Mounted Police Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

Hon. G. J. McIlraith (Solicitor General): 1. (a) March 31, 1964, $45,986,906.99; (b) March 31, 1965, $57,706,948.59; (c) March 31, 1966, $65,411,253.45; (d) March 31, 1967, $85,081,-315.27; (e) March 31, 1968, $104,724,111.76.

2. Interest is credited to the Superannuation Account on the last day of each quarter in each fiscal year, namely, on the 30th day of June, on the 30th day of September, on the 31st day of December and on the 31st day of March, respectively, calculated at the rate of one per cent of the balance to the credit of the account on the last day of the preceding quarter.

3. (a) March 31, 1964, $1,576,978.32; (b) March 31, 1965, $1,929,488.33; (c) March 31, 1966, $2,420,759.75; (d) March 31, 1967, $2,841,067.52; (e) March 31, 1968, $3,534,722.02;

4. (a) March 31, 1964, $573,195.38; (b) March 31, 1965, $666,752.98; (c) March 31, 1966, $848,113.32; (d) March 31, 1967, $972,646.84; (e) March 31, 1968, $988,991.22.

PENSIONS OF RETIRED ARMED FORCES PERSONNEL

Question No. 8—**Mr. Knowles (Winnipeg North Centre):**

1. How many retired Armed Forces personnel are receiving pensions of amounts within each of the following brackets: (a) less than $20 per month (b) $20 to $29.99 per month (c) $30 to $39.99 per month (d) $40 to $49.99 per month (e) $50 to $59.99 per month (f) $60 to $69.99 per month (g)

$70 to $79.99 per month (h) $80 to $89.99 per month (i) $90 to $99.99 per month (j) $100 to $149.99 per month (k) $150 to $199.99 per month (l) $200 to $249.99 per month (m) $250 to $299.99 per month (n) $300 per month and over?

2. How many widows of Armed Forces personnel or of retired armed forces personnel are receiving pensions of amounts within each of the brackets indicated in the above question?

3. What is the total number of retired Armed Forces personnel and also the number of widows of armed forces personnel or of retired armed forces personnel presently residing in each province?

4. In respect of how many orphans of Armed Forces personnel are pensions being paid and what is the average amount thereof?

Hon. Léo Cadieux (Minister of National Defence): 1. (a) 16; (b) 76; (c) 251; (d) 329; (e) 351; (f) 316; (g) 499; (h) 618; (i) 717; (j) 3,626; (k) 4,364; (l) 4,232; (m) 2,767; (n) 4,342.

2. (a) 2; (b) 22; (c) 62; (d) 157; (e) 229; (f) 244; (g) 203; (h) 202; (i) 188; (j) 591; (k) 227; (l) 98; (m) 41; (n) 34.

3. Province	Retired Personnel	Widows
Newfoundland	59	7
Prince Edward Island	133	11
Nova Scotia	2,296	159
New Brunswick	509	83
Quebec	2,314	232
Ontario	9,172	1,026
Manitoba	769	101
Saskatchewan	277	48
Alberta	1,413	132
British Columbia	4,751	393
Northwest Territories and Yukon	362	1
Outside Canada	449	107

4. 57; $29.13.

CANADIAN FORCES SUPERANNUATION ACCOUNT

Question No. 9—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money in the Canadian Forces Superannuation Account as at (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

2. What rate of interest does the government pay for the use of this money?

3. What amount of interest was credited to the Canadian Forces Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

4. What was the total amount paid out of the Canadian Forces Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

Hon. Léo Cadieux (Minister of National Defence): 1. (e) $2,723,268,313.

2. *Hansard*, page 10701, dated December 5, 1966 refers.

3. (e) $105,247,171.

4. (e) $51,853,044.

See reply to Question No. 690, page 4562 of *Hansard*, dated November 22, 1967, for the remainder of the reply.

CITIZENSHIP COURT

Question No. 12—**Mr. Caouette:**

1. How many judges sit in the Citizenship Court?

2. How many cases were heard by the Citizenship Court in 1965, in 1966 and in 1967?

3. Where does this Court have its Record Office?

4. Does this Court sit across Canada?

5. What is the jurisdiction of this Court?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Citizenship Branch as follows: 1. The Governor in Council may designate any court or person in any part of Canada to act as a Court for the purposes of the Canadian Citizenship Act, and any officer of the Canadian forces outside of Canada to act as a Court for the purpose of dealing with applications for citizenship made by persons serving in the armed forces of Canada outside Canada. A Court is defined in the act as meaning any superior, circuit, county or district court including in the Province of Quebec, any district magistrate as well as any court or person designated to act as a Court for the purposes of the act. In addition to courts defined by the act, 15 magistrates courts in Newfoundland have been so designated as have 56 persons across the country. Fourteen of these persons operate full time courts in 13 different locations while the remaining 42 handle cases on an occasional basis in areas remote from the normal facilities.

2. It is not possible to give the exact number of cases heard in Canada during a year because statistics are not always available on cases rejected or deferred by the courts of law. However, a very close approximation of the total number of cases heard in Canada may be given as follows: (a) 1965, 32,902; (b) 1966, 31,975; (c) 1967, 33,376.

3. All court records dealing with cases under the Canadian Citizenship Act are now forwarded to the office of the Registrar of Canadian Citizenship in Ottawa. Although this was also the practice prior to amendment of the Act in July, 1967, before that time records of applicants rejected or deferred by the normal courts of law were not so forwarded.

4. Yes.

5. To examine alien and such other applicants for citizenship as may be referred to them in order to determine if they possess the required qualifications and whether they are not fit and proper persons to be granted citizenship. Upon grant of citizenship by the Minister to administer the oath of allegiance and deliver the certificate. In the conduct of proceedings under the act, by appropriate ceremonies, to impress upon the applicants the responsibilities and privileges of Canadian citizenship.

CANADIAN FORCES SHIPS IN COMMISSION

Question No. 25—**Mr. Harkness:**

As of July 31, 1968, how many ships were in commission in the naval component of the Canadian Forces and what is the breakdown of these ships by class?

Hon. Léo Cadieux (Minister of National Defence): As of July 31, 1968, 45: 1 Aircraft Carrier; 1 Operational Support Ship; 1 Repair Ship; 11 Destroyer Escorts; 9 Helicopter Destroyers; 6 Coastal Minesweepers; 4 Submarines; 4 Gate Vessels; 2 Yachts (Seamanship and Pilotage Training); 3 Diving Tenders; 3 Passenger Yard Craft (Cadet Training).

STRENGTH OF ARMED FORCES

Question No. 26—**Mr. Harkness:**

1. What was the strength of the Canadian Armed Forces as at July 31, 1968?

2. As at July 31, what was the number of (a) officers (b) other ranks?

3. What is the number of women included in parts 1 and 2 above?

Hon. Léo Cadieux (Minister of National Defence): As of July 1, 1968: 1. 99,817.

2. (a) 17,793; (b) 82,024.

3. 1,685; (a) 561; (b) 1,124.

COMPLETION OF BUILDING, SPRINGHILL PENAL INSTITUTION

Question No. 32—**Mr. Coates:**

1. On what date was the Young Offender's Penal Institution in Springhill turned over to the federal government?

2. On what date did the Canadian Penitentiary Service start moving inmates into this institution?

3. What is the capacity of this institution from an inmate point of view?

Hon. G. J. McIlraith (Solicitor General): 1. February 20, 1967.

2. September 5, 1967.

3. 450 inmates.

[Mr. Pelletier.]

STAFF AND INMATE POPULATION, SPRINGHILL PENAL INSTITUTION

Question No. 34—**Mr. Coates:**

1. What is the present staff of the Young Offender's Penal Institution at Springhill and what will be the total staff requirement when the institution has a full complement of inmates?

2. What is the present inmate population at this institution and for what reason has the inmate population not reached the full quota?

Hon. G. J. McIlraith (Solicitor General): 1. On August 31, 1968, the staff strength was 192. The total staff requirement when the institution has a full complement of inmates will be 241.

2. On September 10, 1968, the inmate population was 119. The inmate population cannot reach the full quota until after completion of the construction of the inmate activities' building now scheduled for early 1969.

*PUBLIC SERVICE COLLECTIVE BARGAINING, ATLANTIC PROVINCES

Question No. 35—**Mr. Coates:**

1. Has the Public Service of Canada, represented by the Treasury Board, initiated collective bargaining with the representatives of the employees in the trades, labour and service occupations in the Atlantic Provinces using as the basis for these negotiations the prevailing rates of similar occupations to these groups in the locale of their employment?

2. Does the Public Service of Canada at the present time adhere, for permanent employees, to a policy of equal pay for equal work regardless of the location of the employee of the Public Service and, if not, when was a new policy formulated and what groups of employees does it cover?

Hon. C. M. Drury (President of the Treasury Board): 1. The Treasury Board has entered collective bargaining with the bargaining agent for the occupational groups of "general services" and "general labour and trades" which include employees in the Atlantic provinces as well as other parts of Canada. Since these negotiations have not yet been completed, it would not be appropriate to reveal positions taken by the parties during the negotiations.

2. The government has had, for many years, a policy of paying rates of pay based on those prevailing in the locality under a variety of regulations, such as the prevailing rate employees general regulations (1949), the ships crews regulations (1954) and the ships officers regulations (1950). The practice of reflecting rates prevailing in the locality has been continued in the collective agreements

recently negotiated for employees in the ship repair and the printing operations groups in the operational category.

CANADIAN COMMONWEALTH CONTRIBUTION TO ENGLAND

Question No. 39—**Mr. Caouette:**

1. Does Canada, as a member of the British Commonwealth, pay a contribution to England?

2. If so, what was the amount of contribution for 1967?

[*Translation*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. No. 2. Not applicable. See No. 1 above.

[*English*]

WINTER WORKS PROJECTS, NEW BRUNSWICK

Question No. 45—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in New Brunswick in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. What was the total federal share for Winter Works Projects in all provinces in the fiscal year 1966-67?

3. How many man-days of labour were provided by Winter Works Projects in New Brunswick during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since most claims are still outstanding.

1. (a) $592,684.95; (b) $233,396.43; (c) $163,000.00 (estimated).

2. $32,289,876.73.

3. (a) 54,839; (b) 27,882; (c) 22,756 (estimated).

ORDERS IN COUNCIL SINCE 1963

Question No. 47—**Mr. Diefenbaker:**

How many Orders in Council have been passed in each year 1963 to 1967 inclusive, and in 1968 to date?

Mr. J. E. Walker (Parliamentary Secretary to the Prime Minister): Orders of the Governor in Council passed during the years indicated are as follows: During 1963, totalled 3,757 of which 1,836 were minutes of the Treasury Board approved by the Governor in Council; during 1964, totalled 3,994 of which 1,951 were minutes of the Treasury Board approved by the Governor in Council; during 1965, totalled 4,574 of which 2,238 were minutes of the Treasury Board approved by the Governor in Council; during 1966, totalled 4,827 of which 2,364 were minutes of the Treasury Board approved by the Governor in Council; during 1967, totalled 4,056 of which 1,654 were minutes of the Treasury Board approved by the Governor in Council; and during 1968 up to and including September 12, totalled 2,659 of which 896 were minutes of the Treasury Board approved by the Governor in Council.

*DIRECTOR OF COMPANY OF YOUNG CANADIANS

Question No. 48—**Mr. Diefenbaker:**

1. Has the Director of the Company of Young Canadians been appointed?

2. If not, why the delay?

3. When did the position become vacant?

[*Translation*]

Hon. Gerard Pelletier (Secretary of State): I am informed by the Company of Young Canadians as follows: 1. No.

2. The Provisional Council of the Company of Young Canadians at its meeting of June 15th, 1968 established a special committee to supervise the selection for a permanent Executive Director. The position was advertised, and a number of applicants have been interviewed. The Council expects to make a recommendation to the Governor-In-Council following its next meeting, in October.

3. June 15th, 1968.

[*English*]

*REFORM UNDERTAKING BY NEW SENATORS

Question No. 56—**Mr. Diefenbaker:**

1. Have any Senators been appointed on the recommendation of the Prime Minister who have undertaken to vote for measures to reform the Senate of Canada?

2. If so, what was the nature of such undertaking and by whom given?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, on the occasion of the summoning to the Senate of the Hon. Hédard J. Robichaud, I publicly stated that there was no change in the government's previously announced policy that the role and the powers of the Senate should be reviewed in order to make that body a more effective institution of federalism. Thus, all persons appointed to the Senate on my recommendation would be aware that changes were contemplated, and that their co-operation would be sought to the degree necessary to implement these changes at the appropriate time.

Mr. Woolliams: Another Roosevelt.

Questions

REFERENCE CATALOGUE, INDIAN AFFAIRS DEPARTMENT

Question No. 67—**Mr. Howard (Skeena):**

What was the total, all inclusive, cost of producing the publication entitled "Reference Catalogue for Parliamentarians" by the Department of Indian Affairs and Northern Development?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The cost of producing the publication entitled Reference Catalogue for Parliamentarians was $3,190.00

NATIONAL CAPITAL COMMISSION CHAIRMAN

Question No. 68—**Mr. Thompson (Red Deer):**

1. What are the required qualifications for the position of Chairman, National Capital Commission?

2. Is it a requirement that the Chairman be a bilingual person?

3. Is it continuing government policy to have Ottawa become a truly bilingual area as the National Capital?

4. Is there a restriction as to residence of the Chairman and, if so, does the present Chairman reside in Ottawa?

Mr. J. E. Walker (Parliamentary Secretary to the Prime Minister): 1. There are no formal qualifications required. Appointees are chosen who are thought to have suitable experience and abilities to perform the duties of the position.

2. See 1 above.

3. Yes.

4. (a) No; (b) No.

GOVERNMENT USE OF PATENTED INVENTIONS

Question No. 77—**Mr. Fortin:**

1. Pursuant to section 19 of the Patent Act, how many times has the government or its agents used during the past ten years, a patented invention?

2. If any such patented inventions have been used (a) what did these patents involve (b) what compensation was paid (c) was such compensation set by the Patent Commissioner or by the Exchequer Court?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. The Commissioner of Patents has no knowledge of the government or its agents having used any patented invention during the past ten years pursuant to section 19 of the Patent Act.

2. Not applicable.

SASKATCHEWAN POWER CORPORATION—FEDERAL CLAIM

Question No. 81—**Mr. Fortin:**

1. Has the Saskatchewan Power Corporation paid the $262,194 claimed by the Canadian Government?

2. Has the British Columbia Hydro and Power Authority paid the $112,000 claimed by the Canadian Government?

[Mr. Woolliams.]

3. What is the situation regarding these two cases and how were they settled?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. In part.

2. In part.

3. Saskatchewan Power Corporation—A compromise settlement satisfactory to both the Federal Government and the Province of Saskatchewan has concluded this matter. British Columbia Hydro and Power Authority—The amount of $112,000 resulted from sales tax assessments on the natural gas operations of the Authority and on its other commercial operations. The tax applicable to the other commercial operations was paid by the Authority, while it was relieved of its liability with respect to natural gas, and its supplier assessed for tax applicable in this area.

NORTH SYDNEY, N.S.—HIGHWAY OVERPASS

Question No. 83—**Mr. Muir (Cape Breton-The Sydneys):**

1. Has the Department of Public Works been approached to name the over-pass on the Trans-Canada Highway in the Town of North Sydney, Nova Scotia and, if so, by whom and what names were suggested?

2. Has a decision been reached on the selection of a name for such over-pass?

3. If the name is not to be "The J. S. Munro Over-pass", what will it be?

4. When will the over-pass be officially named?

Hon. Arthur Laing (Minister of Public Works): 1. Yes. The Royal Canadian Legion, Armstrong Memorial Branch No. 19, has recommended that the Trans-Canada Highway overpass at North Sydney, N.S. be named the J. S. Munro Overpass.

2. Yes.

3. Not applicable.

4. When the plaque, now on order, is placed.

*NATIONAL HARBOURS BOARD—LOCATION OF HEADQUARTERS

Question No. 87—**Mr. McCleave:**

Does the government intend to move the headquarters of the National Harbours Board to Montreal and, if so, on what date?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, the answer to question No. 87 is that the government has no plans to move the headquarters of the National Harbours Board from Ottawa to Montreal.

NATIONAL DEFENCE—TARGET STRENGTH THROUGH ATTRITION

Question No. 91—**Mr. McCleave:**

How long does the government estimate it would take natural attrition to achieve the target strength of the Department of National Defence as set out at Page 7215 of *Hansard* of the last Session?

Hon. Léo Cadieux (Minister of National Defence): The target strength set out at page 7215 of *Hansard* dated March 4, 1968, was reached during the month of June 1968.

PURCHASES BY NORTH CANADA POWER COMMISSION

Question No. 123—**Mr. Fortin:**

1. In the past three years, what hydro-electric corporations have been bought or nationalized by the North Canada Power Commission?

2. How much was paid for each of these corporations and by what criteria were they appraised?

3. Were the shares or assets of these corporations purchased?

4. Were the former owners paid in cash or issued interest-bearing bonds?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. None.

2. N/A.

3. N/A.

4. N/A.

ARMED FORCES PERSONNEL

Question No. 145—**Mr. Forrestall:**

1. What is the total current strength as of January 1, 1968 of the Armed Forces, and of this total, how many are officers and how many are other ranks?

2. How many officers are currently, as of January 1, 1968 serving in each of the land, sea, and air elements of the Service, and within each element, how many are serving in Canada, in the United States, in Europe, and elsewhere in the world?

3. How many technical officers as of January 1, 1968 are in each element of the Service and how many in each element are classed as Engineers, have engineering degrees, have science degrees, have degrees other than in science and engineering?

4. Is engineering recognized as a distinct profession by the Department of National Defence and the Armed Forces and, if not, for what reason?

5. Are Law, Medicine and Dentistry recognized as distinct professions by the Department of National Defence and the Armed Forces?

6. For 1966 and 1967 respectively, how many officers in each element of the Service received additional increments of salary over and above their basic rank pay and, of these, how many within their respective elements were Doctors, Lawyers, Dentists, Pilots and Aircrew other than Pilots?

7. What was the total cost of this additional increment of salary for these officers in 1966 and 1967 respectively?

8. How many Pilots as of January 1, 1968 in each element of the Service receiving the added increment of salary were actively engaged in flying duties or were employed in purely ground staff and administrative duties?

9. How many Pilots as of January 1, 1968 in each element of the Service were receiving an additional increment of salary over and above the basic rank pay, and how many of these in each element are actively engaged in flying duties or were employed in purely ground staff and administrative duties?

Hon. Léo Cadieux (Minister of National Defence): As of January 1, 1968: 1. Officers, 18,379; Men, 86,225; Total, 104,604.

2.	RCN	CA(R)	RCAF	TOTAL
Canada	2,960	5,323	8,025	16,308
United States	72	71	267	410
Europe	99	593	777	1,469
Other Countries	6	154	32	192
Total	3,137	6,141	9,101	18,379

3.	RCN	CA(R)	RCAF
Technical Officers	544	891	1,623
No. holding Engineering degrees	117	186	138
No. holding Science degrees	14	267	535
No. holding other degrees	27	34	62

Note: The term technical officer covers the following: R.C.N.—officers in marine engineering, naval architecture, armaments, electrical, air engineering, construction engineering. CA(R)—officers serving in R.C.E., R.C. Sigs, R.C.E.M.E., R.C.A.F.—officers serving in photography, telecommunications, armament, aeronautical engineering, mobile support equipment, construction engineering.

4. Yes.

5. Yes.

6.	RCN	CA(R)	RCAF	TOTAL
1966-67				
Doctors	75	135	153	363
Lawyers	10	23	22	55
Dentists	—	150	—	150
Pilots	336	76	2,362	2,774
Aircrew other than pilots	16	—	1,933	1,949
1967-68				
Doctors	85	158	150	393
Lawyers	10	24	19	53
Dentists	—	162	—	162
Pilots	342	183	2,223	2,748
Aircrew other than pilots	15	—	2,026	2,041

7. 1966-67 $9,828,000; (estimated) 1967-68 $10,200,000.

Questions

8. As of January 1, 1968:

	RCN	CA(R)	RCAF
Employed flying Duties	222	102	1,427
Employed in Ground or Admin Duties	118	82	765

(Employment of a number of pilots in ground positions is necessary in order to meet a requirement for pilot qualifications in certain staff positions and to facilitate individual career development.)

9. Statistics are not now maintained in a manner which would readily provide this information which embraces different types of incremental pay and the necessary expert staff is not available to undertake the large amount of work which would be required to provide an accurate answer.

MARITIMES—CANADIAN FORCES BASES

Question No. 147—**Mr. MacLean:**

1. What is the number of Canadian Forces Bases in New Brunswick, Nova Scotia and Prince Edward Island?

2. What was the total amount expended in Canadian Forces Bases, defence construction and research in New Brunswick, Nova Scotia and Prince Edward Island, in 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965 and 1966?

3. As of January 1, 1968, what was the number of service personnel and the number of civilian personnel located at each of the Canadian Forces Bases in New Brunswick, Nova Scotia and Prince Edward Island?

4. What is the projected strength of these Bases as of January 1, 1969?

Hon. Léo Cadieux (Minister of National Defence): 1. Eight.

2. Data is not maintained in a manner which would permit all defence expenditures in these provinces being readily identifiable, nor is the necessary expert staff available to undertake the large amount of work which would be required to gather the necessary information.

3. As of January 1, 1968:

Base	Military Personnel	Civilian Personnel
CFB Gagetown	3767	795
CFB Moncton	140	441
CFB Chatham	1167	368
CFB Halifax	4122	5351
CFB Cornwallis	1081	325
CFB Shearwater	2173	466
CFB Greenwood	1981	357
CFB Summerside	1306	324

4. It is not possible to forecast the strength of these bases as of January 1, 1969.

[Mr. Cadieux (Terrebonne).]

BIRD POPULATION IN CANADA

Question No. 148—**Mr. MacLean:**

1. Has it been established that any species of migratory or non-migratory birds native to Canada, have undergone a serious decline in population in the last twenty years in part or all of their range in Canada?

2. If so, what are the populations most seriously affected?

3. Have the causes of any population decline been established and, if so, what are they in some of the most serious cases?

4. Is there any evidence that bird populations are being reduced, because their eggs are being rendered infertile by residues of DDT?

5. Is there any evidence that any populations of Canadian birds are becoming extinct due to an accumulation of DDT in the natural food chain, as is the case with the peregrine falcon in the Eastern United States, and with the Bermuda petrel?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Yes. Greater prairie chicken, peregrine falcon, prairie falcon, pigeon hawk, Swainson's hawk, bald eagle, gyrfalcon and probably other birds of prey.

2. The greater prairie chicken has now been virtually extirpated from western Canada. The Eastern race of the peregrine falcon has seriously declined.

3. Yes. In the case of the prairie chicken, destruction of habitat is the most likely cause. For peregrine falcons, organochlorine insecticides now appear to be the most likely cause.

4. Yes. It now appears that organochlorine insecticide residues, of which DDT residues are the commonest, are the most probable cause of the hatching failures in the recent peregrine falcon decline.

5. The decline of the peregrine falcon in the eastern U.S. has apparently also taken place in adjacent parts of Canada, and this decline now appears to be principally due to the accumulation of organochlorine insecticide residues, including DDT, in the natural food chains of these birds.

WINTER CONSTRUCTION OF POST OFFICES

Question No. 154—**Mr. Latulippe:**

Does the government intend to continue the construction of post offices across Canada through the winter, and particularly in the designated regions of areas, in order to assist the unemployed?

[*Translation*]

Hon. Arthur Laing (Minister of Public Works): The Department will continue to construct post offices and other buildings in accordance with the requirements for federal

accommodation and will continue to follow its present practice of scheduling as much of the work as practicable during the winter months.

[*English*]

STATISTICS RESPECTING QUESTIONS AND MOTIONS FOR PAPERS

Question No. 234—**Mr. Knowles (Winnipeg North Centre):**

Has the President of the Privy Council any statistics on the number of Questions and Motions for Papers asked or proposed in the House of Commons and, if so (a) how many written Questions have been put on the Order Paper of the House of Commons, for oral or written answers, during each Session of each Parliament since 1867 (b) how many Starred Questions, for oral answers, have been put on the Order Paper of the House of Commons during each Session of each Parliament since this procedure was first introduced in the Session of 1910-11 (c) how many Motions for the Production of Papers have been passed during each Session of each Parliament since 1867, and (d) how many Orders for Returns were passed during the Session that ended on April 23, 1968, and how many of those Returns were made?

Hon. Donald S. Macdonald (President of the Privy Council): The following table indicates the answers to (a), (b), and (c):

Year	Session No.	Parliament No.	No. of sittings	No. of written questions	Starred questions since 1910-11	No. of motions for papers
1867-68	1st	1st	83	169	—	166
1869	2nd	"	49	79	—	97
1870	3rd	"	62	61	—	103
1871	4th	"	43	69	—	94
1872	5th	"	46	142	—	109
1873	1st	2nd	59	168	—	108
1873	2nd	"	11	17	—	12
1874	1st	3rd	42	129	—	147
1875	2nd	"	48	138	—	100
1876	3rd	"	46	119	—	156
1877	4th	"	59	101	—	279
1878	5th	"	67	115	—	230
1879	1st	4th	64	149	—	303
1880	2nd	"	57	135	—	285
1880-81	3rd	"	65	145	—	339
1882	4th	"	68	159	—	347
1883	1st	5th	73	157	—	275
1884	2nd	"	67	223	—	311
1885	3rd	"	119	516	—	380
1886	4th	"	65	277	—	215
1887	1st	6th	49	247	—	161
1888	2nd	"	61	191	—	134
1889	3rd	"	65	274	—	136
1890	4th	"	80	284	—	165
1891	1st	7th	102	465	—	171
1892	2nd	"	87	203	—	134
1893	3rd	"	47	230	—	112
1894	4th	"	87	362	—	178
1895	5th	"	65	369	—	150
1896	6th	"	70	337	—	110
1896	1st	8th	34	235	—	77
1897	2nd	"	65	418	—	121
1898	3rd	"	86	460	—	143
1899	4th	"	102	628	—	184
1900	5th	"	115	865	—	158
1901	1st	9th	73	399	—	85
1902	2nd	"	63	275	—	80
1903	3rd	"	155	460	—	92
1904	4th	"	103	406	—	102
1905	1st	10th	129	377	—	119
1906	2nd	"	88	623	—	162
1906-07	3rd	"	95	703	—	191
1907-08	4th	"	148	1,234	—	313
1909	1st	11th	84	773	—	180
1909-10	2nd	"	102	735	—	167
*1910-11	3rd	"	117	836	181	172
1911-12	1st	12th	75	645	84	226
1912-13	2nd	"	111	1,138	292	865
1914	3rd	"	103	1,126	284	449
1914	4th	"	5	1	0	1

Questions

Year	Session No.	Parliament No.	No. of sittings	No. of written questions	Starred questions since 1910–11	No. of motions for papers
1915	5th	"	51	670	81	202
1916	6th	"	88	707	82	209
1917	7th	"	135	763	95	190
1918	1st	13th	47	478	144	60
1919	2nd	"	93	707	84	102
1919	3rd	"	50	216	57	34
1920	4th	"	86	762	146	91
1921	5th	"	79	404	92	58
1922	1st	14th	75	468	13	85
1923	2nd	"	98	483	5	117
1924	3rd	"	95	642	4	153
1925	4th	"	98	580	3	88
1926	1st	15th	111	511	1	131
1926–27	1st	16th	54	238	2	70
1928	2nd	"	92	440	4	156
1929	3rd	"	83	396	(No starred	147
1930	4th	"	62	355	questions	83
1930	1st	17th	11	38	from	4
1931	2nd	"	96	882	1929 to 1955	319
1932	3rd	"	78	529	inclusive)	274
1932–33	4th	"	119	646	—	265
1934	5th	"	104	524	—	266
1935	6th	"	97	646	—	225
1936	1st	18th	91	483	—	118
1937	2nd	"	62	459	—	86
1938	3rd	"	102	543	—	137
1939	4th	"	103	562	—	100
1939	5th	"	5	0	—	0
1940	6th	"	1	0	—	0
1940	1st	19th	61	342	—	53
1940–42	2nd	"	105	694	—	137
1942–43	3rd	"	124	991	—	138
1943–44	4th	"	120	1,023	—	143
1944–45	5th	"	136	998	—	131
1945	6th	"	19	165	—	15
1945	1st	20th	76	662	—	73
1946	2nd	"	118	822	—	71
1947	3rd	"	115	1,036	—	97
1947–48	4th	"	119	643	—	49
1949	5th	"	59	620	—	73
1949	1st	21st	64	335	—	29
1950	2nd	"	90	589	—	0
1950–51	3rd	"	17	43	—	1
1951	4th	"	115	497	—	58
1951	5th	"	56	284	—	16
1952	6th	"	87	440	—	0
1952–53	7th	"	108	777	—	0
1953–54	1st	22nd	139	799	—	0
1955	2nd	"	140	664	—	0
*1956	3rd	"	152	657	68	99
1956	4th	"	5	2	0	0
1957	5th	"	71	320	40	32
1957–58	1st	23rd	78	437	73	52
1958	1st	24th	93	239	40	38
1959	2nd	"	127	638	116	132
1960	3rd	"	146	644	208	137
1960–61	4th	"	174	785	485	164
1962	5th	"	65	463	242	56
1962–63	1st	25th	72	1,467	326	78
1963	1st	26th	117	1,906	206	203
1964–65	2nd	"	248	3,063	319	386
1965	3rd	"	53	876	60	109
1966–67	1st	27th	250	2,928	254	231
1967–68	2nd	"	155	1,222	95	65

*Starred questions for oral answer started in 1910–11. Limit of three per member started in 1956.

(d) 143 orders for returns have been passed and 117 have been tabled.

[Mr. Macdonald (Rosedale).]

[*Translation*]

MOTION FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the notices of motions for the production of papers nos. 1 and 3 are acceptable to the government.

The notices of motions nos. 7 and 9 are acceptable to the government, subject to the usual reservations concerning privileged papers and the consent of the relevant government authorities.

Mr. Speaker, I ask that the remaining notices of motions be allowed to stand.

[*English*]

ELECTION EXPENSES OF CANDIDATES

Motion No. 1—**Mr. Knowles (Winnipeg North Centre):**

That an Order of the House do issue for a return showing the total amount of election expenses on behalf of each candidate in the General Election of June 25, 1968, by constituencies, as indicated in the return respecting election expenses submitted on behalf of each candidate, as required under the provisions of Section 63 of The Canada Elections Act; and showing also the names of any candidates, by constituencies, on whose behalf election expense returns have not been submitted.

Motion agreed to.

NIGERIA—RELIEF SUPPLIES BY RED CROSS

Motion No. 3—**Mr. Brewin:**

That an Order of the House do issue for a copy of all correspondence exchanged between the Government of Canada or any of its representatives and the International Red Cross or the Canadian Red Cross relating to the provision of relief supplies or the transportation of relief supplies to the areas of Nigeria affected by the present hostilities.

Motion agreed to.

DISCONTINUATION OF SALT REBATE

Motion No. 7—**Mr. Carter:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House, a copy of all correspondence exchanged between the Government of Canada or any of its representatives and the Government of the Province of Newfoundland relating to the discontinuation of the Salt rebate accorded to our Atlantic Coast fishermen.

Motion agreed to.

PRINCE EDWARD ISLAND—AGREEMENT RESPECTING HIGHWAYS CONSTRUCTION

Motion No. 9—**Mr. Macquarrie:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of the agreement between the Government of Prince Edward Island and the Atlantic Development Board on behalf of the Government of Canada for the construction of highways in Prince Edward Island, and for copies of all correspondence between the two Governments in relation thereto.

Motion agreed to.

NATIONAL SECURITY

ATTEMPTED SALE OF MILITARY SECRETS—REMOVAL OF CLASSIFIED DOCUMENTS FROM GOVERNMENT OFFICES

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in connection with the question I raised yesterday regarding security, will the Prime Minister inform the house whether any classified documents were removed from government offices by the individual in question, and whether all these have been recovered?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I know of no such documents which have been removed; but if there is further information possessed by the Minister of Justice, he might want to state it now.

Mr. Nielsen: Come clean, John.

Hon. John N. Turner (Minister of Justice): I have nothing to add, Mr. Speaker.

Mr. Stanfield: Mr. Speaker, I am afraid I did not hear the Minister of Justice.

Mr. Turner (Ottawa-Carleton): I have nothing to add to that, Mr. Speaker.

Mr. Horner: Justice must be done!

Mr. Stanfield: A supplementary question, Mr. Speaker. Am I to understand the Prime Minister and the Minister of Justice to say that none were removed, or that they do not know of any being removed?

Mr. Turner: Perhaps I might answer that question, Mr. Speaker. Yesterday I took the position—

Mr. Woolliams: Of secrecy.

Mr. Turner (Ottawa-Carleton): —that investigations by the Royal Canadian Mounted Police or the federal forces of this country involving suspected unlawful activity are being continuously carried out, but in the absence of charges being preferred it would not be proper, nor in the public interest, to make public the results of such investigations,

to make them a matter of public record, nor to delve into the facts involved in those investigations.

I believe this is particularly applicable to investigations that may involve national security. The statement I made yesterday, and I repeat it today, is not a statement of new policy; it is a statement of principle and is a reiteration, a repeat of what virtually every minister of justice has said in reply to similar questions, including Hon. Davie Fulton who on April 29, 1959, stated that the government had consistently followed a policy of complete reticence concerning security work.

Some hon. Members: Hear, hear.

Mr. Stanfield: Mr. Speaker, I am not asking the Prime Minister or the Minister of Justice to violate any security procedures. I asked a question to which I think the house is entitled to an answer, namely whether in fact any documents were removed and, if so, whether they were recovered. Surely this does not involve any breach of security on the part of the government.

Mr. Speaker: Order, please. The Leader of the Opposition is restating the question he asked before.

An hon. Member: It has never been answered.

Mr. Speaker: As the Leader of the Opposition knows, the rules of the house allow him to ask that question, but there is no obligation on the part of the ministry to answer it at all, or to answer along the lines which the questioner would like.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. The matter of security does not enter into the equation when the question is asked: Who was this person? Apparently he was removed, or was gotten out of the civil service because of his misconduct. I ask the Prime Minister whether he will not give the name of this person, because unless he does the opprobrium of suspicion will rest upon every civil servant who has got out since January 1.

Some hon. Members: Oh, oh.

Mr. Trudeau: Mr. Speaker, it is conceivable that the release of the name of the gentleman would not be a security risk. I do not want to comment on that. But it would obviously be a breach of fundamental civil liberties and basic human rights.

Some hon. Members: Hear, hear.

Mr. Trudeau: I think the gentlemen of the opposition can imagine that a man who has not been prosecuted by the government, a man against whom we did not decide to proceed, would be rendered a much greater disservice if we were to name him publicly than the hypothetical disservice to thousands of public, civil servants who are under suspicion, according to the right hon. gentleman.

Mr. Diefenbaker: After that specious dissertation on the subject of civil liberties, Mr. Speaker, I ask the right hon. gentleman a simple question. Because of what was found out, was this man told to get out? If so, did not the Prime Minister try him without regard to his civil liberties?

Some hon. Members: Hear, hear.

Mr. MacEwan: Answer that.

Mr. John Gilbert (Broadview): Mr. Speaker, I direct a supplementary question to the Solicitor General. In view of the fact that the news media have on two recent occasions obtained information which should have been classified as confidential or top secret—and I refer to the Dorlot case and also the case we are discussing at the moment—is the Solicitor General carrying out inquiries into R.C.M.P. security?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, the Solicitor General is carrying out inquiries as to what leak, if any, there was and where it came from.

Hon. D. S. Harkness (Calgary Centre): A supplementary question, Mr. Speaker. What class of security documents and information did this man have access to? That is, were they low grade, such as confidential; medium grade, such as secret; or a higher grade, such as top secret.

Mr. Speaker: The hon. member for Calgary North (Mr. Woolliams).

Mr. Harkness: Mr. Speaker, surely one of the members of the government is in a position to answer that question—either the Prime Minister, the Minister of Justice or the Minister of National Defence.

Mr. Speaker: Order, please. Nobody had risen. The Chair is allowed to surmise that no minister wants to reply. The Solicitor General may want to say something.

Mr. Baldwin: This is not their day to answer.

Mr. McIlraith: Mr. Speaker, in these cases it must be apparent to all that it is extremely difficult to make information public without incurring the risk of compromising measures that are constantly being taken to protect the safety and interest of the country. There are statements to this effect in *Hansard*—if hon. members want references to this question, of various former prime ministers of this country and ministers of justice over the past 15 or 20 years, on this point.

It must be obvious to all hon. members that in a case of this nature which involves, or may involve security, without jeopardizing the public interest it is not possible to start answering bits and pieces of information of the sort envisaged by the question that has been asked.

Mr. Nielsen: Why was he not prosecuted?

Mr. Stanfield: Would the Prime Minister say whether the government or the police know the whereabouts of the individual in question?

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question arises out of some of the answers given today, but in particular out of the answer given by the Minister of Justice yesterday, when he said that the whole matter was referred to the law officers. When the matter was referred to the minister or the ministers of the government by the law officers, did they consider that an offence had been committed? If so, why was a charge not laid; and if it was not, why was this man dismissed on those grounds?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I think that under the rules and precedents of the house I am entitled to rely on the statement that the opinion of the law officers of the crown was sought; that it was the opinion of the law officers that a prosecution should not be laid; and that this opinion was concurred in by the senior officers of the R.C.M.P.

In the circumstances, Mr. Speaker, I think it would be unfair and would be an unwarranted intrusion into the reasonable privacy of the individual concerned to relate here, behind the absolute privilege and total immunity of parliament, the procedure or substance of the investigation into the suspected criminal conduct of an individual. No charge having been preferred, how would this individual defend himself?

Mr. Hees: Why was a charge not preferred?

Mr. Speaker: Order, please.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I address a supplementary question to the Prime Minister and ask him whether he will now answer the question I put yesterday to the Minister of Justice and which the right hon. member for Prince Albert repeated a few moments ago. If no charges have been laid against this individual, bearing in mind the civil liberties to which the Prime Minister referred, on what basis was he either dismissed from the public service or asked to resign?

Mr. Trudeau: Mr. Speaker, this opposition wants to protect, apparently, the liberties of an individual. If the man wishes to protect himself he can go to the opposition. He can give his name. He can make public, if he wishes—

Some hon. Members: Oh, oh.

Mr. Trudeau: Hon. gentlemen are asking us to reveal the name of a man we decided not to prosecute, who left the civil service under circumstances known to him. The opposition is trying to make a martyr out of a man who, in his own judgment, decided it would be better to follow this particular course. He is at liberty to go to hon. gentlemen and have his case stated by them.

Mr. Knowles (Winnipeg North Centre): On a question of privilege, Mr. Speaker—

Mr. Speaker: Order. I wonder whether hon. members would not judge that we have passed from a question period to a debate. I do not want to limit hon. members but I will allow the hon. member for Winnipeg North Centre a supplementary question.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, my question is a question of privilege. The Prime Minister just answered a question about naming the individual. I did not ask for the name. I do not want the name to be given. I asked the Prime Minister to answer directly this question: If no charges were laid against the individual, and bearing in mind the principles of civil liberties to which the Prime Minister adheres, why was he dismissed or asked to resign without any kind of trial?

Mr. Trudeau: Mr. Speaker, if it helps the opposition, I do not mind stating a matter of general principle here. If the R.C.M.P. find

that a man has done things for which, perhaps, he cannot be prosecuted successfully but they have sufficient knowledge that he has been acting in a way that is detrimental to the public service, it is conceivable that whoever is responsible for the employment of this man will go to him and say: "These are the facts that we have against you. We could make a case; you might win on a technicality, or perhaps you would not. However, you have the choice of resigning, or we can fire you. If you want to appeal under the procedures of the civil service legislation"—

Mr. Knowles (Winnipeg North Centre): Is this the rule of law?

Mr. Trudeau: Of course this is the rule of law. We all remember in this house the Spencer case where the opposition decided to make a martyr out of a man who was free—

Mr. Speaker: Order, please. I would take the liberty of reiterating the opinion that I expressed a moment ago and also remind hon. members that we will be in supply tomorrow, when we could easily pursue the debate which has been initiated now. It can be continued at length tomorrow. I see a number of members are anxious to ask other questions which are also important, and I suggest that they should be given the opportunity to do so.

Mr. Diefenbaker: Mr. Speaker, in that connection would the Minister of Justice be here tomorrow?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, if the right hon. gentleman from Prince Albert will give me his word that he will be here, then I will be here.

AGRICULTURE

P.F.A.A.—REQUEST FOR SURVEY OF CROP CONDITION

On the orders of the day:

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, I have a question for the Minister of Agriculture that I feel is quite urgent. My question arises out of the very serious situation that has been created in western Canada owing to the very wet and impossible harvest conditions. Many farmers are going to be up against a serious feed shortage unless they have—

Mr. Speaker: Order, please. Would the hon. member kindly ask his question.

[Mr. Trudeau.]

Mr. Cadieu (Meadow Lake): My question is: Has the minister and his department asked the P.F.A.A. officials to make a survey of the seriousness of the situation?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the answer is yes.

Mr. Cadieu (Meadow Lake): Mr. Speaker, I have a supplementary question. In view of the serious situation, have any plans been made to assist farmers with regard to drying facilities for wet grain? In order to get feed for livestock many farmers will be forced to take tough or damp grain off the land.

Mr. Speaker: Perhaps the minister might want to make a statement on motions tomorrow or at some other time.

MOVEMENT OF DAMP AND TOUGH GRAIN TO LAKEHEAD

On the orders of the day:

Mr. George Muir (Lisgar): Mr. Speaker, I have a further supplementary question for the Minister of Trade and Commerce. Would he inform the house what action he has taken to facilitate the movement of damp and tough grain from the prairies to the lakehead terminals, and also tell the house when he expects the terminals to be in a position to process such grain? I notice that it must be the day off for the Minister of Industry, Trade and Commerce, so could the acting minister answer?

Mr. Speaker: The Minister of Agriculture could answer both questions on motions tomorrow.

CONSUMER AFFAIRS

MILK—POSSIBILITY OF COMBINES INQUIRY

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. In view of the price war now going on between the dairies and the jug milk chains in Toronto and Montreal, and in view of the need to ensure that the interests of consumers will be protected, will the minister seek an early meeting with both the Ontario Milk Marketing Board and the Quebec Agricultural Marketing Board in order to help resolve this problem?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the director of investigation and research under the Combines Investigation Act is familiar

with both situations. Should the facts involved indicate an offence under the Combines Investigation Act, an inquiry will be launched.

[*Translation*]

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a question to the Secretary of State for External Affairs. Can the minister tell us whether he intends, in the future, to hand over to Quebec the amounts of money earmarked for French speaking countries, so that Quebec might use these funds according to the wishes of the Quebec government, as it was suggested this morning by the premier of that province?

Mr. Speaker: Order. The question of the hon. member is much too general to be put at this time.

[*English*]

EXTERNAL AID

NIGERIA—MOVEMENT OF RELIEF SUPPLIES

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy Royal): Mr. Speaker, I have a question for the Secretary of State for External Affairs which I hope is not too general. Can the minister now break the blockade of silence surrounding movements of relief supplies to Nigeria and Biafra?

Hon. Mitchell Sharp (Secretary of State for External Affairs): It seems to me, Mr. Speaker, that that is a very general question.

Mr. Fairweather: A supplementary question, Mr. Speaker. Has the minister had an opportunity to consider the implications of the question I asked him yesterday about the statement of the Nigerian military commander that no relief supplies would be allowed to pass through occupied territories.

Mr. Sharp: Yes, Mr. Speaker, I have taken the opportunity of inquiring into the circumstances under which the statement was made. It was made a month ago, I think, by a divisional commander of the Nigerian army. The Nigerian government has stated that it intends to work with the International Red Cross for the relief of hunger in all parts of Nigeria and, in fact, is moving supplies behind the advancing armies.

Mr. Heath Macquarrie (Hillsborough): A supplementary question, Mr. Speaker, which has to do with Canada's desire to have the matter of Biafran suffering considered by the United Nations General Assembly. I ask the minister, since our delegation missed its opportunity for unilaterally placing this item on the agenda of the United Nations, is our delegation now seeking the support of a majority of the members of the United Nations so that this item may be added to the provisional agenda?

Mr. Sharp: Mr. Speaker, the hon. gentleman no doubt will have read my letter to U Thant asking for his advice on how best to advance this humanitarian work. We have also been working in the meantime with the delegations of other countries. We are still seeking an opportunity to put forward a resolution that will deal with this humanitarian question, and not be lost in a sterile debate about the future of Nigeria.

Hon. Robert L. Stanfield (Leader of the Opposition): Am I to infer from that answer that the Secretary of State for External Affairs is satisfied with the amount of relief supplies getting through to the people of Biafra?

Mr. Sharp: No, I am very dissatisfied, and I hope the house will join in supporting not only the voluntary efforts made in this country but the efforts of all countries around the world to open the way for getting supplies to those needy people.

An hon. Member: Paul Martin could have done the job.

Mr. Stanfield: A supplementary question, Mr. Speaker. May I ask the Secretary of State for External Affairs how he reconciles the answer he has just given with the answer he gave earlier to the hon. member for Fundy-Royal (Mr. Fairweather) in which he said that the Nigerian authorities apparently were moving supplies forward in a satisfactory way.

Mr. Speaker: Order, please.

[*Translation*]

EXTERNAL AFFAIRS

GENERAL DE GAULLE INVITATION TO VISIT OTTAWA

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to put a question to the Prime Minister.

Inquiries of the Ministry

Can he tell us whether he intends to invite the President of the French Republic to Ottawa next year when he comes to visit Quebec?

Right Hon. P.-E. Trudeau (Prime Minister): What a good idea, Mr. Speaker.

[*English*]

CZECHOSLOVAKIA—AGGRAVATION OF SITUATION BY INCREASE IN MILITARY FORCE

On the orders of the day:

Mr. J. Edward Broadbent (Oshawa-Whitby): I have a question for the Secretary of State for External Affairs. In view of the unfortunate experience the people of Czechoslovakia are still going through, is the hon. gentleman giving consideration to the view that by maintaining or increasing our military forces in Europe we might be worsening the situation of the Czechoslovak people by giving the Soviet union an excuse for maintaining troops there?

Mr. Speaker: The question as asked appears to be argumentative.

[*Translation*]

LOTTERIES

MONTREAL—EXPRESSION OF OPINION AS TO LEGALITY

On the orders of the day:

Mr. Georges Valade (Ste-Marie): Mr. Speaker, I should like to direct my question to the Prime Minister.

I should like to know if the Prime Minister, in the course of his visit to Mayor Drapeau during the last Liberal convention—incidentally, the day before the municipal lottery was officially announced—was invited to give his opinion with regard to the legal aspect of mayor Drapeau's lottery?

Mr. Speaker: Order. I do not think that the question is in order. At any rate, if in the opinion of the hon. member there is some urgency, he may give notice for debate later on at the time of adjournment.

Mr. Valade: Mr. Speaker, in view of the ruling given by the Quebec Appeal Court on that matter, I should like to know if the opinion of the Prime Minister coincided with the decision of Mayor Drapeau in that respect?

Mr. Speaker: Order. I had indeed heard the question, but I do not think that its degree of urgency warrants an immediate answer.

[Mr. Rondeau.]

[*English*]

MONTREAL—WITHDRAWAL OF MAILING PRIVILEGES

On the orders of the day:

Hon. D. S. Harkness (Calgary Centre): I have a question for the Postmaster General, Mr. Speaker. Has he cut off all mailing privileges for the city of Montreal, since the law requires that those privileges be curtailed in cases involving lotteries. If they have not been cut off, will he cut off those privileges?

An hon. Member: A good question.

Mr. Speaker: I have some doubt about the urgency of the question.

Some hon. Members: Oh, oh.

Mr. Speaker: If the hon. member feels there is urgency, perhaps he wishes to come back at the time of adjournment, with the minister.

[*Later:*]

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, may I direct a question to the Postmaster General. Since a constituent of mine, a parish priest, had all mailing privileges suspended as the result of sending a few, crummy half dollar lottery tickets through the mail for a good cause, can he advise the house why the mailing privileges of the city of Montreal will not be suspended?

Mr. Speaker: Order, please. This question is along the same lines as some others which have been asked. Since there is general interest in the matter perhaps the minister might answer.

Mr. Kierans: I think we shall give the mayor of Montreal a few days to make the appeal, and after that I hope the new omnibus bill will be passed which might declare lotteries legal.

Mr. Diefenbaker: So that's the plan. Did you have permission to speak?

Mr. Harkness: On what basis does the Postmaster General justify going completely against the law in this regard?

An hon. Member: Presumption of innocence.

Mr. Kierans: I think everybody knows this is under appeal, Mr. Speaker.

[*Later:*]

Mr. Donald MacInnis (Cape Breton-East Richmond): I tried to reach the Postmaster General with a supplementary question earlier, Mr. Speaker. How can the hon. gentleman tell this house that the question of the use of the mails is under appeal, when the appeal is as to the legality of a lottery? When the clergyman formerly referred to was denied the use of the mails the service to him was suspended. There is no appeal being made in the courts, to my knowledge, concerning the use of the mails.

HOUSING

TASK FORCE—STATEMENT CONCERNING PARTICIPATION BY OFFICIALS

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct my question to the Minister of Transport, who I see is with us in the house today.

Some hon. Members: Hear, hear.

Mr. Nesbitt: Yesterday I directed a question intended for the Minister of Transport to the acting minister, who said he would take notice of it. Is the minister in a position to answer that question today?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, could my hon. friend say which question that is. Several are before me.

An hon. Member: Welcome back, Paul.

Mr. Nesbitt: My question dealt with the matter of whether provincial and municipal officials have been invited to testify before the task force on housing which the minister is heading, and a supplementary question dealt with complaints from city of Toronto officials that they had inadequate notice to prepare their briefs. I expect the minister will have seen my question.

Mr. Hellyer: Yes, Mr. Speaker. We have advised all provincial ministers responsible of our visits across the country. We have also written to the mayors and reeves of Canada to advise them of our studies and to invite their participation. I regret that the notice given for the preparation of briefs was perhaps short and inadequate. Notice was short because of the urgency we attach to this problem and because of our determination, hopefully, to come up with some report by the year's end. We have indicated to the city of Toronto, for example, that if they have a brief ready for us before the inquiry next week end we shall be glad to receive it and to discuss with them this urgent problem facing all Canadians.

[*Translation*]

Mr. Gaston Clermont (Gatineau): Mr. Speaker, I should like to put a question to the Minister of Transport.

Could he tell us whether the federal commission on housing and urban development has scheduled meetings to take place in western Quebec? I know that such meetings have taken place—

Mr. Speaker: Order. The question should be put on the order paper.

[*English*]

EDUCATION

AGREEMENT ON GRADE AND SUBJECT STANDARDS

On the orders of the day:

Mr. Mark Rose (Fraser Valley West): My question is directed to the Secretary of State, Mr. Speaker. In view of the Canadian School Trustees' recent resolution calling for more uniform education standards across Canada, will the minister give consideration to establishing a national office of education to provide leadership for greater interprovincial agreement on grade and subject standards for Canadian schools?

Mr. Speaker: Order, please. That question should be placed on the order paper.

CRIMINAL CODE

SUGGESTED AMENDMENT TO CONTROL WIRE TAPPING

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): My question is for the Minister of Justice, Mr. Speaker. We have heard quite a bit about civil rights today and I wonder whether the minister is considering including in the amendments to the Criminal Code a measure to control wire tapping?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I am awaiting the formal brief of the Canadian Bar Association to be sent to Ottawa, in accordance with their resolution passed in Vancouver. I am also awaiting the report of the Royal Commission on Security.

Once I receive these documents I hope to bring it at an early date a bill having to do with wire tapping, but I doubt that it will be included in the omnibus bill.

RESEARCH

POSSIBILITY OF REDUCTION OF SCIENTIFIC UNDERTAKINGS

On the orders of the day:

Mr. A. D. Hales (Wellington): My question is for the President of the Treasury Board, Mr. Speaker. Considering the statement the minister made to a three nation chemical conference in Montreal this week that Canada must more than triple its expenditures on research, can he advise the house if the government intends to reduce or otherwise curtail any more scientific undertakings?

Mr. Speaker: I wonder whether the hon. member does not agree that the answer to this type of very general question should be conveyed to the house by way of a statement on motions.

TRANSPORT

REQUEST FOR PLANS TO MEET CHALLENGE OF CONTAINER TRAINS

On the orders of the day:

Mr. Charles H. Thomas (Moncton): My question is for the Minister of Transport, Mr. Speaker. In view of the statement by the president of the National Research Council that Canadian railways are likely to lose much Europe to Asia traffic to a United States land bridge, what specific plans can the minister announce which will enable the C.N.R. and the C.P.R. to meet the challenge of United States container trains?

Mr. Speaker: Order, please. The hon. member has asked a question which, in my view, ought to be answered by a statement made on motions.

YUKON QUARTZ MINING ACT

REQUEST FOR INTRODUCTION OF AMENDING BILL

On the orders of the day:

Mr. Erik Nielsen (Yukon): My question is addressed to the Minister of Indian Affairs and Northern Development, Mr. Speaker. Since it was announced in the speech from the throne that the government intends to introduce a measure respecting the Yukon Quartz Mining Act, and since this legislation is of great complexity and length, will the minister consider putting this matter on the order paper soon and making the bill available to hon. members, so that it can be studied?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I do not know when we will be able to proceed, but I think we will be able to table the bill referred to by the hon. member for Yukon two or three weeks from now.

• (4:10 p.m.)

[*English*]

HOUSE OF COMMONS

SPECIAL COMMITTEE—PROCEDURES RESPECTING INSTRUMENTS IN VIRTUE OF STATUTES

The house resumed from Tuesday, September 24, consideration of the motion of Mr. Macdonald (Rosedale):

That a special committee of twelve members, to be named at a later date, be appointed to consider and, from time to time, to report on procedures for the review by this house of instruments made in virtue of any statute of the parliament of Canada.

Hon. Donald S. Macdonald (President of the Privy Council): When the house rose last night, Mr. Speaker, I was dealing with this question of the appointment of a committee to examine procedures for the review of statutory instruments. At that time, I made reference to the fact that there has been a great development not only in Canada but in other countries which have given the administration the power to make delegated legislation.

The background or justification for this practice has probably never been better stated than by the Donoughmore committee in 1932—command paper 4060—and I should like to take the liberty of referring to one passage from this committee's report. It summarizes the need for delegation under four heads:

1. Pressure upon parliamentary time is great.

2. The subject matter of modern legislation is very often of a technical nature.

3. If large and complex schemes of reform are to be given technical shape, it is difficult to work out the administrative machinery in time to insert in the bill all the provisions required; it is impossible to foresee all the contingencies and local conditions for which provision must eventually be made.

4. The practice, further, is valuable because it provides for a power of constant adaptation to unknown future conditions without the necessity of amending legislation.

All these reasons may be valid, but this does not lessen the need for parliamentary scrutiny of subordinate legislation after it has been enacted and when it is in operation. I hope that the special committee which is proposed will want to ask various questions. I hope, for example, it will want to ask whether we are passing bills which authorize the minister or the council to exercise a legislative authority fully as wide as that of parliament itself. I hope it will want to ask whether the Canadian practice of having statutory instruments made chiefly by order in council rather than by ministerial regulation gives adequate ground for thinking that our instruments are less dangerous than those made, for example, in the United Kingdom. I hope the committee will want to ask whether this house ought to employ an officer to review statutory instruments in some such way as the Auditor General reviews expenditures made pursuant to parliamentary appropriation. Finally, I hope it will want to ask whether this house should set up a standing committee to scrutinize the orders and whether we should establish procedures by which both individual members and the committee could seek to have orders altered or revoked.

Mr. G. W. Baldwin (Peace River): The minister has put the matter to us in rather cold, legalistic terms. I think there is far more to this than he has indicated. I recall returning to Canada at the end of the last war. Before going to my home to resume my occupation I spent some time in Edmonton trying to refresh my memory and catch up with some of the laws which had been passed. I remember going into the court house library in Edmonton and being shown by the librarian a set of all the regulations and orders in council which had been passed during the years I had been absent. There they stood—volume after volume, shelf upon shelf and row upon row. And all these documents, intimately and deeply, had the power to impair the rights, privileges and personal position of the ordinary men and women of this country.

Later on, I recall presiding in this house over a committee established to examine the possibility of dealing with the War Measures Act. We were asked to consider what regulations might be passed and what else could be done to preserve some of the terms of that legislation. It was proposed in the course of one of these meetings that some of the regulations in connection with certain areas of discussion should be brought before the committee in order that we might form an opinion before making a recommendation to this house. Mr. Speaker, we were told that if this were done so many documents would be brought that there would be no room for the committee itself to sit, so numerous were those regulations.

This is a very serious and controversial subject involving an area in which we in Canada have done nothing so far. In this respect, we are years behind other countries which have faced this problem, met the challenge and made some progress in dealing with it. My approach to this question differs from that taken by the minister. I listened to his speech yesterday and I have since reread what he said. The terms of reference contained in this resolution are, I suggest, fairly wide.

> That a special committee of twelve members, to be named at a later date, be appointed to consider and, from time to time, to report on procedures for the review by this house of instruments made in virtue of any statute of the parliament of Canada.

I hold that up and compare it with what the minister said yesterday when he was giving his views as to what this committee might do, the areas into which it might go, and the areas which it should not consider. As recorded at page 438 of yesterday's *Hansard* he said:

> One of the means of controlling administrative action to prevent interference with the rights of the individual is of course by providing legal rights of recourse, either by appeal to the regular court system or by means of prerogative writs—

I accept the first part of this. I think all of us must accept the fact that if powers have been given by a statute to any group or to any individual, whether it be the governor in council, a minister, or a person, to act, and if in addition to that right there is also given, the right to the subject who may be affected to have recourse to the courts by a method of appeal set out in the statute, and the terms of which are perfectly plain, then quite obviously this parliament should not be and must not be concerned with an issue of this kind.

But I reject out of hand the theory that because prerogative writs may be applied where natural justice is denied this means that these writs will always be applied or that we shall be free to look at these areas. These are the things this committee should be examining.

As recorded at the top of page 439 of yesterday's *Hansard* the minister went on to say:

> This resolution and the committee to be set up will not deal with that subject matter. One of my responsibilities, as President of the Privy Council, will be to suggest further procedures—

I think this is an issue which will run collateral to the inquiries by this house.

Mr. Macdonald (Rosedale): But it is not an issue for this committee.

Mr. Baldwin: I understand that, but I do not think there should be any inhibition of this committee about contemplating this problem or the proposal of remedies merely by saying that prerogative writs do apply, or merely to say the minister has, in the terms of reference he might receive from the Prime Minister (Mr. Trudeau), the right and the duty of considering other related aspects of this problem. I think there should be a full and complete inquiry.

Mr. Macdonald (Rosedale): I do not think there is any restriction in my words, Mr. Speaker.

Mr. Baldwin: Good; I am glad we got that settled, Mr. Speaker. There should be the widest possible terms of reference and the widest possible consideration. I do not think there is any question about that.

Too many people have suffered injustices and inequities with no recourse as a result of delegated legislation. I recognize, all of us must recognize, that in this modern day the need to deal with the complexities of a social and economic life prohibit incorporating into a statute all of the areas of discussion, all of the proposals, all of the contingencies which might arise from time to time. We have to provide flexibility or we simply could not prepare, complete and pass a statute to meet the situation with which we are dealing. So, we have to provide that certain powers be delegated to boards, to tribunals, to corporations or to individuals, or as is most usually the case, to the governor in council.

I accept that, but in addition to any right of appeal, in areas which are not covered by appeals to the courts there has to be given to this house and to this parliament a means of making good the lack which has existed far too long of dealing with injustices and inequities which apply and which flow from these delegated legislative powers. This is what I think our committee will deal with, with the widest possible opportunity and the widest possible scope.

It may well be, Mr. Speaker, that we will decide that an ombudsman should work hand in hand with this committee. I have talked to those who occupy, and who have occupied, this position in other countries. One of the difficulties which they have found is the fact that too often they operate in a vacuum. There is no means, outside of the normal realm of publicity, by which they can bring specific complaints to the legislative body in order to secure a measure of examination and investigation and a declaration by, for example, a parliamentary committee.

In addition to that, I would like to think that the committee would recommend a procedure whereby under certain conditions—and I think there will have to be criteria, there will have to be a yardstick—it will be possible to bring into this house, for discussion and consideration, a delegated authority where there has been a case of abuse; where the result of applying the authority which has been given has been to bring about something not probably contemplated or which causes injustice.

I am not suggesting that in doing this we would have to take up government time. The practice which prevails in the United Kingdom is that, by means of petition, it is possible to bring up a matter for discussion in the house, coupled with the right to move for the annulment of the offending instrument. Then, it might well be that when we come to consider this issue we will propose that with regard to certain statutes the right to pass orders in council, which is given by those statutes, should be subject to the inhibition that the orders in council should be brought back to parliament, if parliament is then sitting and, if not sitting, then within a reasonable time after parliament resumes. We might propose that these orders in council should be laid upon the table and, unless approved by this house, they would expire within a limited time.

I am not suggesting that this can be done or should be done in all statutes, but there is a strong case to be made that in certain instances the right to pass orders in council, the right to pass regulations, the right to make orders involves an area so crucial, critical and important to the liberty of the subject, that these orders in council should not be allowed to continue beyond a definite time until considered and approved by this house.

These, Mr. Speaker, are some of the areas I think we should traverse and cover. I think this is a tremendously important committee and I have great hopes that from it will flow some very beneficial results.

When the minister was speaking yesterday, I was searching for a little phrase which I

recalled from before, and I found it last night. It comes from the immortal Shakespeare. Possibly the minister will remember it.

> But man, proud man,
> Drest in a little brief authority,
> Most ignorant of what he's most assured,
> His glassy essence, like an angry ape,
> Plays such fantastic tricks before high heaven
> As make the angels weep.

I refer that to the minister. He might pass it on to his colleagues and to the Prime Minister. I think it is a very useful thing to bear in mind by those who occupy temporarily the seats of the mighty.

I think this applies to civil servants and others who are given this delegated authority; good men, honest, conscientious men, but entrusted with this power they have the opportunity to cover up mistakes, to hide some inequity and injustice, to sweep their problems under the carpet. They know that at the present time there can be no right of review because if the matter is brought on to the floor of this house it is brought in such a way that it cannot be dealt with and disposed of effectively.

I think that most of those who have been given this power exercise it intelligently, honestly and equitably. However, I suggest that if it were known this power of review existed, if it were known that there would in fact be a committee of this house with the right to make the sort of inquiry I have envisaged, that would have a most salutory effect upon those who have been given this power and in their dealings with the common people, with the ordinary man, they would exercise a degree of vigilance and care which I am afraid in many instances today they do not do.

• (4:20 p.m.)

I think this is a particularly good time to bring this up. We hear talk about the just society. We heard the Prime Minister this afternoon make a unilateral declaration concerning the government's proposal with regard to the question period. As I have indicated before, I believe this is just another example of the very dangerous course which the Prime Minister and his colleagues seem determined to pursue. When I heard during the election campaign about a just society I thought it was about time the people of Canada grabbed their hats and headed for the storm cellars. The great society, the new deal, the old deal, the middle age deal, all involve a proliferation of boards, tribunals, orders, regulations, directions and directives. Governments which come into power on an election platform based on issues of this kind operate like a yo yo; there is a lot of motion but no progress.

The statute books are filled with statutes giving rights, powers and regulatory authority to others which entitle them to deal with the fortunes and lives of the people of Canada. I venture to say, in the course of the next four years, if the people of Canada are so unfortunate as to have this government inflicted upon them for that length of time this is what we will find in the statutes which this government passes. We have the poor bewildered people of this country, the ordinary man. I believe it was Lincoln who said that God must have loved the ordinary man because he made so many of them. The ordinary man, in the general course of events today, is overpowered and overshadowed by bigness—big industry, large labour unions and big government. I suggest we will see more of this from now on.

It may well be that the better quality of life about which we hear a great deal may be improved by the passage of statutes giving government officials and the governor in council power to pass regulations, but I do not think so. I think it is about time we recognized that we have imposed upon the people of this country a bureaucratic jungle. I have no hope that we will be able to hack it down. I do hope, however, that through measures of this kind it will be possible for us at least to clear out a little space where the ordinary man can stand tall and straight again, see the blue sky, through recourse to the remedies which we hope will flow from the recommendations of a committee of this kind. We hope that he will be given the opportunity by an appeal from some of these measures to once again become an individual.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I cannot quite copy the lyrical turn of phrase we have heard from the hon. member for Peace River (Mr. Baldwin); but I have a few observations which I should like to make on this motion. We, in this party, are happy to give this motion our enthusiastic support. All members are aware of the enormous growth of delegated legislation. It is a phenomenon in this day of modern democracies. With the growing demand for legislative action, with the inevitable complexity of such legislation and the need for flexibility it is quite impossible for parliament to deal directly with the total field of legislation. Hence,

the practice of the wide delegation of legislative powers to the cabinet and other so-called subordinate bodies.

It is quite useless to bemoan this tendency, although for the past 50 years legal pundits headed by Lord Hewart, in the "New Despotism", have made it a subject for their eloquence. Although it is quite useless to bid the flood turn back, we must establish some effective review of delegated legislation if the whole democratic process of parliament is to be meaningful and not simply an empty and mocking phrase. Perhaps I might cite an example. Parliament has passed the Immigration Act which in theory lays down an immigration policy for Canada. In fact, from some knowledge, I would venture the opinion that 95 per cent of our immigration cases are dealt with by means of regulations passed by orders in council. The essential immigration policy of this country has not been subject to effective review by this house.

I, personally, am pleased that the committee, by the terms of the motion, is directed primarily to a review of action by this house in connection with subordinate legislation. There are, as members have pointed out, other forms of review such as judicial review and administrative review. Other suggestions have been made, such as the appointment of officials like ombudsmen. All of these are helpful and may even be essential. I suggest, however, that it is this house of elected members which is and should be primarily both the maker of laws affecting the people of this country and the protector of the people of this country against encroachment by the executive and its servants. Any effective steps we can take to make the supremacy of parliament more real and effective should be taken. This is essential if we are to have a fuller and more genuine democracy. We assume that the committee will be appointed, and we hope it will find useful ways for parliament to review delegated legislation. We also hope when the report of this committee is made that it will be referred promptly by the government to the house for action.

• (4:30 p.m.)

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to make a few brief remarks on that notice of motion to set up a committee to consider procedural changes. As a new member who has had however the opportunity and the advantage to attend innumerable sittings of the house—as a visitor and secretary to the leader of the Ralliement créditiste for three years—I have seen with my own eyes the work done in this historic chamber and its quality.

Mr. Speaker, the remarks I want to make at this stage are more of a general nature and do not deal, except occasionally, with any standing order; instead they will urge the members of that committee to pay particular attention to the spirit in which that committee should sit, in my opinion.

Mr. Speaker, the recent statement made by the Prime Minister (Mr. Trudeau) to the effect that the question period would be changed according as ministers are present or absent is, in my opinion, a breach of the fundamental parliamentary rule, in view of the setting up of this committee. I hope that the matter will be referred to that committee in due course and that report will be made to this house.

Mr. Speaker, in this parliament, we have a very important part to play, and to do so, every member should be able to exercise his fundamental rights as representative and spokesman of the people, according to the standing orders. I think that every member must make every effort so that order is maintained in the house, and a higher standard is given to this debate.

Mr. Speaker, moreover, it is my belief that Canadians truly want to be present in this house through their members whom they elected by a majority vote.

Mr. Speaker, all Canadians are present here in our discussions through the representatives they have elected, as I was saying a moment ago. All the people of Canada have a right to demand representation in the debates of the people's chamber, for it is indeed their chamber, and I feel sad about the attendance to various degrees here. I realize that members are involved on all sides in a great number of problems but the fact remains, I think, that some recommendations should be made and studied by this committee in order to assist the members so that they may fulfil their legislative and administrative roles more adequately.

As a new member and without hurting anybody's feelings, I will simply say—and I repeat it—that participation in the debates of this house has been lacking. Several members and ministers are absent. People want us to say aloud in this parliament what they are

thinking at home. I believe this governing principle should be continuously and permanently observed by each of us.

Secondly, I would like to say that I am disappointed with the many members not participating in our debates. I have, on several occasions, witnessed this situation as I have in the past three years, been listening to the debates from the gallery. Is our participation, Mr. Speaker, a matter of saving face or does it consist in contributing something to the debates? It will be the responsibility of the committee to examine this point thoroughly and ask questions.

My third comment is in connection with the quality of our discussions in this house and about the manner of our interjections. I do not claim to be better than the other members in this respect. It is a conversation between deaf persons and it has become worse since the Prime Minister has muzzled his ministers, thus preventing them from cooperating with other members.

I would therefore appreciate, Mr. Speaker, that those three comments be taken into consideration, incomplete as they may be, at the meetings of this committee, so as to improve the rules of this house and its performance.

I hope that the amendments which will be passed will improve the standard debates, encourage a thorough dialogue and an exchange of views among all parties of this house in short, that they will constantly promote a fuller co-operation from each of us.

I believe that our democracy will be lively if every member of this house is also lively. We must help the new members to integrate in their new parliamentary background and to get acquainted with the rules of the house with a view to increasing efficiency in their work.

I would like to suggest, Mr. Speaker—and I hope I abide by the rules by so doing—that lessons on parliamentary procedures be given by you, since you are an expert in this field and that I understand you teach at the University of Ottawa. Otherwise, some other capable person could give them. This would familiarize new members with the rules of the house and help them to take a more active and intelligent part in the debates.

I feel certain that many old hands in parliamentary matters would also benefit from taking those courses. An effort must be made to help the member of parliament, to revalorize his role. That is the spirit in which amendments should be made, Mr. Speaker, in order to turn the member of parliament into a real legislator and a competent administrator.

If we are to review and modernize our rules, we should also try to give back to the members their true role, that of full participants instead of spectators who seem to wait for the Messiah.

If our standing orders, which no longer answer our present needs, are to be changed, these changes should be made in a certain spirit and according to a basic principle: rethinking and redefining the role of the member of parliament and parliament itself, and establishing the proper priorities. However, it must not be forgotten that we are here to express what the people are thinking.

I duly appreciated the most timely observations made last night by the right hon. member for Prince-Albert (Mr. Diefenbaker), namely that the people must be informed of what is said and done in this historic and unique house.

In this respect, Mr. Speaker, I find it unacceptable that the *Hansard* should not be sent, at Her Majesty's expense, to any person requesting it. I am convinced that the hon. member for Prince-Albert will agree that Her Majesty would be pleased to allow Canadian citizens, eager to be informed, to receive this report, where the facts are not sifted out by the financiers, who would distort them, in order to keep the people in the dark and so to lead public opinion where they would like it to go.

Mr. Speaker, considering that there are about 4,000 subscribers to the *Hansard,* I am appalled to think that such a service is not being provided; this is one of the very serious reasons why people take no interest in the work of the house.

Mr. Speaker, I should also like to point out that the procedure should respect the role of the member, that of a representative and a spokesman. A member is a spokesman. Because of that, he must know what his constituents think. To know what they think, each member should, in my humble opinion, set up a permanent consultation system within his riding each time an important bill is put before the house.

For instance, take the famous omnibus bill which will be brought in shortly. At that time, it would certainly be opportune, in my humble opinion, or each member to hold some sort of very honest referendum in his riding, in order for him to know the opinion

of the people, and to allow a free vote to be taken, not a party vote as used to be the case with the old parties.

In short, it is a matter of bringing the people to really participate in the administration of the country. No matter what our debates are, no matter what procedure we adopt, if the Canadian people do not participate directly or indirectly in our debates, if they do not read them, we are wasting our time.

Consultation could be achieved through the mailing of circulars, letters, or through other means, in order to bring out the idea that a member is really a spokesman.

Mr. Speaker, I do not wish to pursue my remarks further, save for the following conclusions. I am particularly pleased that the parliament has an air of youth about it, and that it has several young members.

I am 25 years old and I am happy to sit in this parliament; a 22-year old member of the New Democratic Party, sits here also I believe. I want to congratulate him on his election and offer him my close co-operation, with a view to showing the old campaigners that young parliamentarians can do as well as their elders, provided the latter will co-operate.

Obviously, the young need the experience of the old and that is why, Mr. Speaker, I should like to appeal, at this point, to the old timers of parliament, and ask them to co-operate with us, to help us integrate. If one day they begin to feel a bit tired, we shall be here to help them. Some people have ulcers; we are in good health. Our elders have clever heads; we may have good ideas, but we lack experience.

If all those things are put together, Mr. Speaker, I think some good work can be done. But if each party refuses to come down from its ivory tower, it is useless to think that the House of Commons can engage in a lively, human and dynamic dialogue. It will be useless, because we will waste our time and end up in the best dialogue of the deaf one has ever seen.

The hon. member for Prince Albert said last night that if the debates were put on film, the end result might not be a horror movie, I say that it might be a comedy, Mr. Speaker, if things remained as they are right now.

Parliament must be dynamic to catch the interest of dynamic people. It must be serious if it wants to get the attention and the interest of serious people. It must be young to attract even more young people. It must be efficient so that competent people from every sphere will take interest in it.

I believe in democracy as long as it is respected and lived. I want to blame this government for the way it scorns democracy by refusing to answer the questions put by the opposition, and not behaving according to a true democratic spirit. I am thinking of what took place this afternoon, with the question period confined to Wednesday and the ministers allowed to be absent.

We must have a responsible government, responsible to the opposition and to the people, because we all owe an accounting to the people for our presence here. We must give an accounting to the people for the business we have to discharge here.

Mr. Speaker, in concluding my remarks, I say: Give us all the standing orders and procedure that you want, if a positive, dynamic, vigourous, human legislative program, fit to tackle the true problems, is not presented to us, these standing orders and procedure will be meaningless and ineffective.

• (4:40 p.m.)

[*English*]

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I rise in support of the resolution before the house which states that a special committee of 12 members, to be named at a later date, be appointed to consider and, from time to time, to report on procedures for the review by this house of instruments made in virtue of any statute of the parliament of Canada.

I should like to commend the hon. member for Peace River (Mr. Baldwin), for initiating and championing the move to have this resolution placed before the house, because I consider that any effort made to regain the supremacy of parliament is a move in the right direction. I have been aware of the power of the present government of Canada, and this has worried me and many members of the house because sometimes governments which have more authority than parliament might not be as sympathetic as the democratic process would require.

I think the resolution, as stated, epitomizes the concern that in some cases instruments of government may be given unlimited power, thereby taking away some of the authority and powers which should rest with parliament.

My major reason for speaking on this resolution arises out of my particular concern as a

result of recent action taken by an instrument of government in connection with a province of Canada which I will name shortly. In trying to bring this point to the attention of parliament, permit me to quote from the legislation which cemented the union between Canada and Newfoundland in 1949. In that year when Newfoundland entered confederation, one of the terms of union agreed on by the Canadian government and Newfoundland was term 31 (a) which stated the following:

> At the date of union, or as soon thereafter as practicable, Canada will take over the following services and will, as from the date of union, relieve the province of Newfoundland of the public costs incurred in respect of every service taken over, namely,... (a) the Newfoundland railway—

On April 1, 1949, by order in council the governor general in council entrusted to the Canadian National Railways the operation and management of the Newfoundland railway. The operative words of that order in council as it relates to the case are:

> —Therefore, His Excellency the governor general in council, on the recommendation of the Minister of Transport, is pleased to order that, effective April 1, 1949, the Newfoundland railway, including rights-of-way, wharves, dry docks and other real property, rolling stock, equipment, ships and other personal property ... the title to which is vested in His Majesty, be and they are hereby entrusted in respect of management and operation thereof to the company on the terms in the Canadian National Railways' Act expressly specified, namely, that such management and operation shall continue during the pleasure of the governor in council—

As all hon. members are aware, the terms of union and subsequent arrangements were agreed upon by the two governments, namely the government of Newfoundland and the government of Canada, both of which also agreed that the arrangement would remain in existence during the pleasure of the governor in council.

In 1966, legislation was brought in creating what is now known as the Canadian Transport Commission, and the statutes of Canada 1966-67 outline the agreements made or the legislation governing the actions and operation of the said Canadian Transport Commission. During the summer of the present year, the Canadian Transport Commission, under the chairmanship of Hon. John W. Pickersgill, showed exactly what powers this particular instrument of government had and also how it intended to use this power. In the summer of this year, the commission made the following decision with regard to the request of the C.N.R. to abandon the rail passenger service in Newfoundland. As we all know, last year the C.N.R. placed an argument before the Canadian Transport Commission that the rail passenger service serving the whole of Newfoundland be abolished.

Last summer, the commission, which is an instrument of the government and which has the power to make a decision in this respect, stated the following:

> The Railway Transport Committee of the Canadian Transport Commission hereby orders:

This is a decision of the Canadian Transport Commission with regard to the C.N.R. application.

> —shall, on April 15, 1969, discontinue passenger train service between St. John's and Port aux Basques, in the province of Newfoundland.

I ask my colleagues and all members of this house: Where was there reference in this decision to the government of Canada? I ask again—while indicating my support for this resolution which points out the great need for a review of the powers and procedures of the various instruments created by statute—were the government of Canada, the parliament of Canada, the government of Newfoundland, the minister in question or the governor in council, all duly elected bodies, consulted in the making of this decision? There is absolutely no reference in this particular document to any authority other than the Canadian Transport Commission and its president. I say, further, that although I am quite aware of the fact, as was indicated recently by the Minister of Transport (Mr. Hellyer) in a statement to the house, that an appeal is in order—and we hope an appeal will be presented—I nevertheless state here and now that this kind of action should never be allowed to transpire, regardless of the fact that there is an appeal pending.

• (4:50 p.m.)

I asked a question in the house recently. My question to the Minister of Transport asked why the Canadian Transport Commission made the decision to abandon the rail passenger service. The reply given by the minister indicated that, because of technological changes which are taking place in our society, because of the improved use of aeroplanes, and because of the increasing cost of rail passenger services, the Canadian Transport Commission made the decision to abandon the rail passenger service in the island of Newfoundland.

I asked, further, at what time the government of Canada or the minister responsible would make a decision as to the abandonment

of all rail passenger services across Canada. As the house is quite aware, this question was ruled as argumentative and no reply was received from the minister. I realize now why it was argumentative. I should have asked the question of the president of the Canadian Transport Commission, Mr. Pickersgill, rather than the minister. This was quite obvious.

Some hon. Members: Hear, hear.

Mr. Lundrigan: What I am trying to say in support of this resolution is that this kind of action by one of the creatures, one of the instruments of government, can lead to the abolition of rights of not only individuals but a whole population. If the government of Canada, this parliament, is going to establish and retain creatures which have practically omnipotent power, I consider this to be a very serious situation.

I am speaking on this issue and making reference to this particular case because I feel it is not only a provincial matter. I like to think it is very much a national issue. I believe that if the president of the Canadian Transport Commission, and the Canadian Transport Commission itself, can without due regard to parliament, without presenting its case to the government of Canada, to the duly elected representatives of our country, make decisions of this nature, why cannot they make a decision to abolish the whole C.N. passenger service across Canada?

This is a matter of great concern to the people across the whole dominion, because I fear the power of the Canadian Transport Commission. This is the specific reason I so strongly support this resolution and ask that the government make every effort to give to such a committee the widest possible terms of reference.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, as my colleague, the hon. member for Greenwood (Mr. Brewin), has already pointed out, we very enthusiastically welcome this motion. I hope we do not have cause to say about this motion, after it passes, what we had to say today about a motion we passed yesterday. At any rate, we feel very strongly that there is need to study the whole question of how parliament can review the legislation that is passed by bodies to which we delegate the authority to pass such legislation.

As is already clear from the debate that has taken place, various bodies are given this authority by parliament. We just had a reference to the Canadian Transport Commission. My colleague from Greenwood referred to what happens in the field of immigration. Indeed, there are a great many boards and commissions that are given what amounts to legislative authority by acts of parliament.

I rise to speak in particular of a very important body which gets this kind of authority from parliament and which I think all too often abuses it. I refer to the cabinet itself. After all, that august body consisting of the ministers of the Crown does have the right to pass orders in council in terms laid down for them in various statutes of parliament. However, it is a very clear principle that the cabinet does not have the authority to legislate beyond the terms given to it by an act of parliament.

I want to refer to one particular case which I think demonstrates the need for this kind of review. I have made a brief reference to it already by asking a question of the Minister of Justice (Mr. Turner). My question was put to him on September 17, as recorded in *Hansard* at page 102, when I asked him about an order in council which was passed in April, based on the Financial Administration Act.

I asked him in particular if he would compare the passing of that order in council with one that was passed by the Diefenbaker government in June, 1962. I asked, to be even more specific, whether the Department of Justice had checked all aspects of this matter before giving approval to the passing of this order in council. It struck me as rather strange that when I asked about this order in council the Minister of Justice did not seem to know which one I was talking about. When he did come back with the answer a few days later, namely yesterday, he managed to give me the good old one word answer. His one word answer to my question was simply "Yes". In other words, all I have been told by the Minister of Justice is that all aspects of this matter were considered by the Department of Justice before approval was given to this order in council.

To make my point, a brief bit of history has to be given, but it is history well known to many members who are still in this House of Commons. In June, 1962, a week after the election on June 18 of that year, the government of that day passed an order in council which had the effect of raising import duties. This is something that only parliament can do; we thought everyone knew that. But the

then government of Canada found an ingenious way by which it could raise import duties. It did it by order in council. It used the Customs Tariff to raise various categories of duties by a rather large amount, and then reduced them to the figure it wanted by applying the remission privileges contained in section 22 of the Financial Administration Act. It was ingenious, but there is no doubt in my mind that it was wrong, that it was an abuse of the power to pass legislation by order in council.

I think it is a statement of fact that I was the one who discovered it and first started asking questions about it in the House of Commons. But for the purposes of what I want to say now, the more important fact is that it was the Liberals of that day who came in for the kill. It was Hon. Paul Martin, who sat in the front bench on this side of the house, and the present Minister of Justice who sat in the back bench on this side of the house, who really went to war, who really manned the barricades, who really called for the downfall of the Conservative government because it had exercised the privilege of passing legislation by order in council, which it was the right of parliament only to do.

The government of that day, of course, told us that the Department of Justice had found that this order in council was perfectly valid, that it was properly drawn and quite legal. But a few months later, after an election had taken place, we had a change of government. In the meantime, some people were taking the government to court over this order in council because, after all, duties had been raised by a substantial amount.

So the new Liberal government got from the same Department of Justice the opposite ruling, a ruling quite contrary to the ruling that had been given to the Conservative government. The ruling then was that the order in council of June, 1962, was invalid and that there had better be legislation to validate it.

• (5:00 p.m.)

I recite that bit of history, Mr. Speaker, not to open old wounds but to place it before the house to enable us to see what is now happening. Let me repeat that in 1962 and 1963 this was a terrible abuse of the power of order in council. The Liberal government now comes along and uses the same order in council technique, the same statute—the same Financial Administration Act, section 22—to reduce duties. The order in council reads, in part, to the effect the duties will be the amount they would have been if parliament had passed the resolutions that were placed on the order paper on June 1 and November 6, 1967. The order in council, in its very language, admits that the government is doing by executive action what it had earlier thought had to be done by an act of parliament.

I see that you are on the edge of your chair, Mr. Speaker, and that it is after five o'clock, so I will continue my remarks when we return to this motion.

Mr. Speaker: Order. It being five o'clock, the house will now proceed to the consideration of private members' business, namely notices of motions, public bills.

HIGHWAYS

REQUEST FOR CONSTRUCTION OF SECOND TRANS-CANADA ROUTE

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador) moved:

That, in the opinion of this house, the government should give immediate consideration to the advisability of constructing a second Trans-Canada Highway that would link Labrador with the rest of Canada and thus develop the greatest remaining storehouse of natural wealth in Canada.

He said: Mr. Speaker, the concept of a second trans-Canada highway is of such magnitude and will involve the spending of such a colossal sum of money that it probably sounds presumptuous, or some such word as that, when advanced by a new member of parliament. It is very possible that Joey Smallwood more than any other individual in Canada would do more justice to the introduction of such a motion. As everyone knows, Mr. Speaker, he can roll a couple of billion dollars—he would call it $2,000 million—off his tongue without batting an eyelash. I doubt whether he would have any conception of just how much money it is, but he would certainly have no difficulty in talking about it.

Anyway, Mr. Speaker, I am not going to talk about the money involved. I would not know what I was talking about anyway; any mention of an amount over $5,000 and I tend to freeze. Neither am I suggesting that the construction of a second trans-Canada highway commence tomorrow morning. I am simply suggesting that, in the opinion of this house, the government should give immediate consideration to the advisability of the construction of such a highway. I have done no

research whatever on this question, Mr. Speaker. The financial, geographical and other research I leave to the government; they have the facilities.

Since entering this house two weeks ago, Mr. Speaker, I cannot say that I have been particularly impressed with the system of priorities that has been developed by this government. The people of Canada, tired of minority governments, were caught by the glamorous, rosy, urbane, shopping plaza campaign of the Prime Minister (Mr. Trudeau). They supported him in great numbers and expected great things. They were led to believe, in fact, that great things would be forthcoming.

The public looked forward to great surprises on the opening day of this parliament. They had a right to expect such an announcement that the government would give full consideration to the advisability of the building of a second trans-Canada highway. And if not this, Mr. Speaker, then certainly some bold project that would indicate that this government had some vision, some imagination and desire to continue to make Canada a truly great nation. The only surprise I have received since coming to parliament is to learn that the minister of external affairs has red hair. I had always thought it was black; I had seen him only on black and white television.

We also heard that this was going to be a "jumping parliament". The only jumping that we have seen from this parliament, Mr. Speaker, has been on this side of the house, hon. members jumping up and down to catch Your Honour's eye to ask a question.

Seriously, Mr. Speaker, I do not think that Canada's future greatness lies in her present cities, as great as they might be, where most of our population is presently concentrated. In my opinion, whatever real future Canada has lies to the north. We have this enormous expanse of territory with untold and unheard of wealth buried beneath it. We must have a government with the imagination and daring to develop it.

I do not know much about Canada's north generally, but I do have some idea of that part of the north that lies in my own constituency of Grand Falls-White Bay-Labrador, and in that great land mass of Labrador. The surface in Labrador has not yet been scratched, Mr. Speaker. It is a great, rich land mass, a wilderness that has been successfully developed from an industrial point of view in just three tiny areas that on the map look like three 10-cent pieces. There are, of course, countless small fishing settlements along the east coast of Labrador, but what I speak of is the fantastic industrial potential that lies inland.

I am proposing, Mr. Speaker, that this government give consideration, not only in the interest of Labrador but in the interest of the whole country, to the possibility and advisability of constructing a second trans-Canada highway to the north of the existing trans-Canada highway. This highway would join the present highway in the far west, cross Canada, go through northern Quebec, down through Labrador, across the Strait of Belle Isle, a distance of some eight or 10 miles, by means of a tunnel, bridge, causeway or what have you, and then come down through northern Newfoundland to connect with the present trans-Canada highway. In effect, this would make it a trans-Canada loop or belt, or whatever you wish to call it.

The people who live in Labrador now, in the towns of Labrador City, Wabush, Goose Bay, Happy Valley and, of course, that big power development at Churchill Falls, and in all the coastal communities are virtually prisoners. They have no access to the trans-Canada highway, or in fact to any highway. They have no access to Air Canada, except at Goose Bay perhaps once a week. The fare there is exorbitant and makes the journey completely impractical. The people have no access to the C.N.R., and it looks as though the whole province of Newfoundland will soon have no access to the C.N.R. They have no access to the C.B.C. Now and then canned programs are made available to them. I know of instances where our people have watched national hockey games in June.

• (5:10 p.m.)

Our people are Canadian in name only and are without the privileges enjoyed by other Canadians. Their pioneering spirit has received no encouragement and our up and coming generation has been given no road to follow other than the road which leads to prison. Most people say that since Newfoundland is an island, it is impossible to link it with the trans-Canada highway system. Those people forget that a large part of Labrador is also part of Newfoundland and shares a border with Quebec. Those living in Labrador are entitled to be linked by highway with the rest of the country just as people living in all other provinces are linked by highways to the

rest of the country. Such a link ought to be forged where it is physically possible to do so. Joey Smallwood's unholy fear of Quebec should not be a factor in preventing such a link.

Quebec seems to get on quite well with Ontario. You can go from Ontario to Quebec by road and from New Brunswick to Quebec by road. I do not know if the proposal of a highway link with any part of Newfoundland has been considered seriously by previous governments, but if it has been considered and if a study has been made, then I should like to see the report on that study. If such a study has not been made, then I should like to see it made. It is high time that governments forgot their preoccupation with a few of our large cities and concentrated their attention to some degree on that part of the country which holds the key to our future, the north.

[*Translation*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, the notice of motion presented by the honourable member from Newfoundland and Labrador, who represents the constituency of Grand Falls-White Bay-Labrador (Mr. Peddle) reads as follows:

That, in the opinion of this House, the government should give immediate consideration to the advisability of constructing a second Trans-Canada Highway that would link Labrador with the rest of Canada and thus develop the greatest remaining storehouse of natural wealth in Canada.

I may say at once, Mr. Speaker, that this motion is quite natural and well meant and it is, on the part of that member, a sign of clearsightedness. I would be inclined, as a matter of principle, to second his motion, especially if the honourable member would add that this highway could cover a part of the province of Quebec: for instance, starting from the Hyppolite Lafontaine tunnel in Montreal and going through Berthier, Trois-Rivières, Quebec, across to Tadoussac and as far as the Labrador region. As a matter of principle there is obviously no objection to that. This is a remarkable project, as was said by the honourable member, and it is an undertaking that is bound to create considerable development in one part of Canada that contains untold wealth. However, Mr. Speaker, I believe two factors must, at this time, be considered. The notice of motion introduced by the hon. member—with all due respect—seems to be worded in an equivocal language. In the first place, it reads in part:

—the government should give immediate attention to the advisability of constructing a second Trans-Canada Highway—

"Immediate attention"—Mr. Speaker, in the course of the debate on the Speech from the Throne, I heard some hon. members say that the government had not done this or that, had not examined this or that, and that we do not know where we are heading with the just society. Questions are being asked as to where we are headed with the new procedure.

Therefore, the opposition seems to understand that this new government, that wants to create a new policy, already has, as regards work groups or task forces as our English friends say, a large number of organizations, and the one responsible for administration will have to work day and night for many years to come in order to get all this done. If we are going to tie them down to the consideration of a project of this scope immediately, I am under the impression, Mr. Speaker, that it will be too great an enterprise, that we are putting the cart before the horse.

After all, as my honourable friends say, one must set certain priorities. Now, there are things that have been left undone and that cannot be settled at present. Hence, it is unwise I think—and I will attempt to prove it in a few minutes—to force the government to consider this question immediately.

Secondly, the hon. member talks about the advisability of building a second Trans-Canada highway. I say that this is ambiguous Mr. Speaker. To me, a Trans-Canada highway is one that would start in British Columbia—I say this in English in order to please my friends who chide me for calling it "Colombie-Britannique" when I am asking them to say "Trois-Rivières" instead of Three Rivers—and go through all the provinces up to Labrador and Newfoundland.

Well, Mr. Speaker, there is ambiguity here. To me, this would be an interprovincial highway. First, we would have to get both provinces to come to an agreement, which would not be a mean thing, Mr. Speaker. Everybody knows that since the Labrador matter has been discussed for many years now. Some people in my province say that Newfoundland robbed them of Labrador and they will not change their mind easily about that. Therefore, can one imagine how we could have them come to an agreement in order to build that interprovincial highway, with the federal

government contributing its share eventually, which would bring no objection on my part, but I should remind my hon. friend that the government is already facing projects that will require almost phenomenal investments. There is, for instance, the medicare scheme, which has not been implemented yet to all practical purposes and which is going to cost, it seems, some $800 to $900 million. The provinces are reluctant to adopt this plan, as they claim they cannot afford it.

• (5:20 p.m.)

Therefore, if it is doubtful if this is really a Trans-Canada highway, and if the whole Canadian people are required to pay the cost, I wonder whether this is very wise.

Secondly, there is the Prince Edward Island causeway where the work has been progressing slowly because of the present financial situation. There is a good deal of other projects which the government had considered and initiated such as, for instance, the C.B.C. building in Montreal the construction of which has to be postponed due to the financial situation.

Even if the project were only to be considered at the present time, it would mean considerable investments, because appraisals are always expensive. A feeling is then created in the country which is contrary to the directives of the hon. Minister of Finance (Mr. Benson) and of the leaders who control Canadian finance. According to them, all levels of government, whether municipal, provincial or federal, should now set an example by restricting their investments, encouraging individuals to do the same, because of the uncertain financial climate which exists in the whole world and naturally also affects Canada.

Therefore, psychologically speaking, if we undertake a project needing an investment of several million dollars, we run the risk of having the Canadian public say: the federal government is irresponsible; they ask us to restrict our investments, they have put off projects already decided on, mapped out and accessed because of the existing financial problem, and yet now they are undertaking another multimillion dollar project.

Information about those things can be obtained, Mr. Speaker. In fact, I have here the annual report on the Trans-Canada highway for the fiscal year ended March 31, 1967, published by the Department of Public Works. And just to prove you, for instance, that it would be difficult for Quebec, Newfoundland and the federal government to come to an agreement, it is only necessary to note that the first bill goes back to 1949, but its expiry date had to be postponed several times, that Quebec decided to participate in the project only in 1960, on several conditions and that, finally, the cost of the whole thing was $825 million, and to use an expression which is quite popular at home, $825 million it is not just peanuts.

In my opinion, this notice of motion is ambiguous, equivocal, in that it refers to a Trans-Canada highway when it is instead an interprovincial one. If my hon. friend wants to pursue his project—which I agree has a certain merit—he should see, for example, our friend the Premier of Newfoundland, suggest that he meet the Premier of Quebec, then that they clear the ground or, at least, understand each other and he should make sure that they are ready to work together, which is not too certain, and get them to decide whether they are able to pay the 50 per cent share of their required contribution or the percentage agreed upon.

That is not too sure, because they both have financial difficulties, and here, I can picture the premier of my province pulling aces out of his sleeve and saying: "You stole Labrador from us; first, give back Labrador, if you want us to talk business." If the premier does not say it, some of his ministers or other Quebecers will, and maybe Mr. Smallwood will voice his own conditions. This might be the first step; only after that could the provincial government intervene. But as far as I am concerned, it would be illogical at this moment to let the public know of the idea that the federal government would embark upon a project of that importance, even though it is worthwhile—and I repeat that it is—because all worthy projects have to be implemented step by step.

I am sure that out of the 263 members here, 200 have brilliant plans for the investment of government's money, and a thousand good reasons, but there comes a time when we must say: Well, we have to consider our means, because the bill will go to the taxpayers.

Efforts are made to reduce the budget. I saw how our friends opposite reacted this afternoon when the main estimates were mentioned. Right away someone said: Have they increased or decreased? Then, someone else said: No, they have increased but savings have been made just the same in the sense that otherwise the estimates would be much

higher. What should we think about the passing of such a notice of motion? I assess it only if it covers the province of Quebec and I made some rapid calculations. Even if it covers the province of Quebec only and the part concerned in Newfoundland and then connects with the national highway, $400 or $500 million have already been spent. Although the bill is very worthwhile, my friends will no doubt understand that, even if we would all like to drive a Cadillac or fly in a Jet Star, if we cannot afford them we do not buy them.

I come back to one of my earlier conclusions: the notice of motion as drafted is ambiguous because it is not about a Trans-Canada highway, but an interprovincial highway, which is something completely different. Furthermore, it burdens the government with an immediate responsibility, since it says that the government should give immediate consideration to it. I see, for instance, the president of the Privy Council (Mr. Macdonald) who stays up until all hours, not to go on a spree, but to do his homework for the next day. He will be called upon to create a specialized research team, to find experts to give immediate consideration to that. He or another minister, will have to keep an eye on these studies, at a time when the idea of ministers being absent during the question period is being frowned upon. He will surely have to be absent if he is given an additional burden. He is quite busy enough as it is and the same goes for other government experts.

Then it is equivocal, premature and does not take into account the fact that the federal government has already some considerable commitments of which it must defer the carrying out, because it must precisely take into account the taxpayers' solvency. This is why the opposition is charging the government with having overburdened the taxpayers; but such a procedure which existed well before the government was in power, is obviously adjusted to the cost of living and meets all the demands of the members which lead the government to make investments even when they are beyond its means.

Now, I will summarize my comments, Mr. Speaker. The government has already undertaken to make huge investments beyond the reasonable limits which it had set. It should now honour its first commitments.

Secondly, a situation is created which runs counter to the directives emanating from the honourable Minister of Finance, since word has spread that the government is ready to commit itself, without batting an eye, to a multi-million dollar project, even if it is deemed as worthy as it was said to be, a moment ago.

Thirdly, Mr. Speaker, this project is drafted in ambiguous terms, since it deals with a trans-Canada highway, whereas it should be an interprovincial highway, I think, not a trans-Canada highway. I also believe that, previous to this, an agreement should be reached between Newfoundland and Quebec, and this will not be easy. It is not necessarily for the federal government to take the first step toward such agreements. This should be done by our Newfoundland friends, the main parties in this matter. It is they who want to be in, so it is they who should start consultations with the Quebec government.

If they manage to reach a reasonable agreement, this will give the federal government time to breathe, at least for four or five years, as it will probably drag on judging by the time it took for the Transcanada highway. Now, in 4 or 5 years' time, the financial international climate will have improved—at least we hope so. Of course, the federal government's situation will have certainly improved too and it is quite possible that at that time it will be in a position to say: You made an agreement. This is an interprovincial highway. The two provinces concerned have reached an agreement and we are ready to contribute for such proportion, since it has to do with the development of natural resources in a part of the country where resources are plentiful.

Mr. Speaker, it is the reason why, whilst I recognize that in principle the proposition is worthwhile, I object to it for the reasons I have just enumerated.

[*English*]

Mr. Arnold Peters (Timiskaming): I wish to congratulate the hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle) on having introduced this motion. I admire the frankness with which he admitted that he has not considered all its implications. What he is suggesting is something very far reaching, a highway from the east to the west. Well, we have heard a similar proposal made many times, but the suggestion has always been that the highway be built from the west to the east. The hon. member for Skeena (Mr. Howard) is in favour of starting this new second trans-Canada highway in northern British Columbia and heading it eastward. It is interesting to find a new member wanting to start it in the east and head it west.

The hon. member for Trois-Rivières (Mr. Mongrain) is probably wrong on three or four counts. One of them would be the assumption that this proposed second trans-Canada highway would go through Trois-Rivières. I am sure we have in mind that it would be placed much further north, in which case it would not have much effect upon Trois-Rivières.

It was interesting to hear those two hon. members speak, because obviously the one on the Liberal side is not liberal but conservative, and the one on the Conservative side is not conservative but liberal—with a small "c" and a small "l", of course. The situation is that the man who calls the tune must pay the piper, and the hon. member for Trois-Rivières is on the side of the house which is more directly concerned with raising the money. It is probably easier to consider this proposal from the point of view of the hon. member for Grand Falls-White Bay-Labrador who would have less preoccupation with raising the necessary money than would a supporter of the government.

• (5:30 p.m.)

I believe there would be a great deal of merit to the development of a second trans-Canada highway. I know much argument was advanced against the federal government becoming involved in the building of the first trans-Canada highway. The proposal to build this highway was advanced in the early 1940's and was brought to fruition in the Trans-Canada Highway Act of 1949. The first highway was built on a voluntary basis. Any province could participate if it wished to get the benefit of the program. If it did not wish to participate it need not, and the province of Quebec stayed out until the early 1960's.

Difficulties have arisen in some provinces regarding the development of interprovincial highways. The hon. member for Trois-Rivières was correct in saying that some highway programs have already resulted in an interprovincial exchange. This is true with respect to the province of Ontario and the province of Quebec. This gives rise to my interest in this matter. In Ontario we designated the northern route of the trans-Canada highway through the northern part of the province, and highway No. 17 was designated as the southern route of the trans-Canada highway. Such a program spurs people's imagination. By building the trans-Canada highway we provided a route from east to west which now carries most of our Canadian traffic. A person from the west finds it no longer advantageous to travel through the United States to get to eastern Canada. As a matter of fact, he can travel through central Canada over two different routes.

The building of the trans-Canada highway resulted in greater development of tourist industries, the profit from which is now more than the cost of building the highway. The highway was built with a 50 per cent contribution of the cost to a provincial government by the federal government, and the federal government made a 90 per cent grant of the cost covering 10 per cent of the route through a province where the most difficult construction was involved.

I am sure that if that 10 per cent link in Labrador were to take the form of a tunnel connecting Labrador to Newfoundland it would produce some interesting results. I understand that studies have been made concerning a proposal to build a causeway from Labrador to Newfoundland, and it was discovered that if a causeway were built the course of the Gulf Stream would be changed. As a result England would have a climate similar to northern Canada. It would have snow and ice for six months of the year, and most of the northern Europe would be in a semi-frigid state for four or five months of the year.

If the hon. member for Grand Falls-White Bay-Labrador does a little research, I am sure he will find it not too difficult to raise subscriptions from European countries and Great Britain to help finance the construction of a tunnel rather than a causeway, because a tunnel would not affect their climates.

I have had the opportunity of travelling through northern Quebec. I know of the construction taking place in many of its northern areas. There is a very good highway coming from the west through Rouyn, Noranda, Val d'Or, and La Verendrye park down to Mont-Laurier. If one is travelling from west to east and wishes to come to Ottawa I recommend that highway. I think westerners should travel it at least once because it is a very interesting trip. It is not much longer than any other route although it appears to be longer. If this highway were the northern route of the trans-Canada it could be extended through the Lake St. Jean area, over to Labrador City, on into Labrador, and from there reach the island of Newfoundland.

I believe that with the advent of a second trans-Canada highway tremendous development would take place in the area through

which it runs. Almost all of the railway development in the northern areas of B.C., Alberta, Saskatchewan, Manitoba, Ontario and Quebec has been in a north to south direction. The only feasible way to provide transportation across those northern areas is by highway. If a highway were built many natural resources would be opened up for development.

It is all very well for the government to say it will not consider a second trans-Canada highway. I wonder, has it not considered some of the advantages which would flow from the building of a second trans-Canada highway. For many years I, as a Canadian, was not proud of the fact that if I had to go to western Canada I had to drive through the United States to get there. Our country was developed by the building of a railroad across it. But now modes of transportation have changed. A second trans-Canada highway is necessary.

We are plagued with unemployment, but I would not suggest that we should build highways to help combat unemployment. We would be very disgusted if we saw the federal government participate in a program of pick and shovel work to help fight unemployment.

Many rugged construction problems were solved in the building of the first trans-Canada highway. The lessons learned then, covering methods of construction and the building of a highway in winter time, could reduce the costs of a second highway. It is not easy to forecast the cost of such highway construction, nor is it easy to forecast how much resource material would be developed as a result, but I suggest that any party which wishes to implement a vision of expansion, as well as the vision of a just society for all parts of Canada, must give consideration to providing modern means of transportation in northern areas. Such a program would meet the wishes of the people living in the northern areas, and people in the rest of Canada have always shown a great deal of sympathy for the development of under developed areas.

While the hon. member who has proposed this motion has apologized for not having done a lot of research on the matter, I think the government has not done enough research. I think the hon. member is correct in his proposal for a second trans-Canada highway and for suggesting that a study be undertaken to see what it costs, and what the eventual benefits flowing from it would be. I think the government must have a much better answer before it can refuse the hon. member the opportunity of a study of this matter which is long overdue. I should like to congratulate the member who comes from the east for initiating a program that has long been the hope of some people from the central and western parts of Canada. I hope he is in this house long enough to see the completion of this highway, and I hope there will be a tunnel rather than a causeway. Those who live in other parts of the country, and who may be interested in our second trans-Canada highway, will be pleased if the government takes action.

• (5:40 p.m.)

[*Translation*]

Mr. Gustave Blouin (Manicouagan): Mr. Speaker, with regard to the notice of motion which appears on the order paper under the name of the hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle), and in view of the fact that I represent the large Manicouagan riding, which borders on the province of Newfoundland, I thought that I could perhaps supply some explanations and information, because I have myself often discussed that project and I have talked about it several times with various associations in my riding.

I know that the new member for Grand Falls-White Bay-Labrador has noticed many times that the people he represents in the mining towns of Labrador live isolated, without any communication. This is a fact, Mr. Speaker, that you can only appreciate if you are there or if you have the opportunity to visit that extremely large territory. Of course, following some tremendous mining developments, the number of people has increased, year after year, and they ask, quite rightly, for a communications system, mainly roads.

There is one railroad to serve certain towns but that railroad is used mainly by the mining companies for their ore; the population of those towns do not find it at all suitable.

A while ago, I said that the boundaries of Newfoundland, which are adjacent to my riding, give rise to about the same problems that I have to face. But when we speak of a Trans-Canada highway we speak of roads, of provincial jurisdiction. Indeed, on several occasions when I brought up the matter, I was always told that previous federal-provincial agreements would be necessary. The

notice of motion of the member for Grand Falls-White Bay-Labrador (Mr. Peddle) stipulates, as a suggestion, that contacts will have to be made with the provinces concerned.

I have already brought together the representatives of the municipalities interested in the matter, as well as representatives of Chambers of Commerce and of various other organizations. I told them, and I repeat it now, that there are organizations and instruments which can be used to develop that part of the country. This brings me to speak of the contribution of the federal government towards the construction of access roads to our natural resources. The federal government participated, during four years, on the basis of 50 per cent of the cost, in the construction of access roads, precisely with a view to developing our natural resources. I put a question to the Minister of Energy, Mines and Resources (Mr. Pepin) last year in this regard. I put it on September 29, 1967, that is a year ago, and asked him:

> Has the Minister of Energy, Mines and Resources renewed an agreement with the Quebec government for 1967-68 with respect to the construction of access roads to natural resources? In the affirmative, what is the share of the federal government under this agreement?

Naturally, the reply I received was a simple no. And so, the agreement was not renewed last year. In addition, I added, as given on page 2683 of the *Hansard* for September 29:

> I know that not long ago, there was a meeting of the provincial ministers of mines and, if I am not mistaken, the renewal of this agreement was requested. Consequently, I would ask the minister to take note of this request, because the 50,000 citizens in my riding who are now working in the mining industry have no means of transportation, except by air. There is also the railway but, as everyone knows, that is for the mining operations.

• (5:50 p.m.)

Personally, I feel that requests have already been made, that consultations or meetings have already taken place. It was always said that there were instruments, machinery within the federal government that could help the provinces interested build such a road.

I do not see why federal-provincial conferences should not be held to reach some agreement. I had said also that it was not really part of the Trans-Canada highway because everyone knows that it does not go through the North Shore or Labrador.

However, I added that there might be a section of the Trans-Canada highway for whose construction the federal government could grant aid. Speaking of instruments and machinery, an agency like ARDA could take part in such projects. ARDA is an agency which has already made agreements with provincial governments, and which can also give its assistance and contribution to such programs.

Mr. Speaker, I know that a great deal of work has been done. Many requests have been made and in the last three or four years, I personally tried to make contacts and undertake what might be called profitable negotiations.

I know that at the present time, people cannot remain completely isolated from the rest of the world. With regard to the road which might be a section of the Trans-Canada highway, and which would run along the north shore, I must tell my friend of Grand Falls-White Bay-Labrador (Mr. Peddle) that there have been meetings with the former Minister of Labrador Affairs. Rather extensive studies, and reports were even made. A delegation from Sept-Iles even met the Premier of Newfoundland last year, always in connection with that highway. It had been suggested that the road could run along the north coast until the strait of Belle-Isle and that it might be necessary to build a tunnel under the strait of Belle-Isle or a pier over it.

I could say that following certain studies—international agreements would be necessary—that project for the construction of a pier was abandoned. At the present time, a ferryboat runs across twice a day. Even if there is no proper road, there is however a portion of road extending for about 40 miles around Blanc-Sablon. In the strait of Belle-Isle, a ferryboat runs from Sainte-Barbe, (Newfoundland) to Blanc-Sablon, twice a day.

Another portion of road is under construction—I mentioned earlier the participation of the federal government in the development of natural resources and the construction of access roads from Baie-Comeau to Manicouagan, thanks to a subsidy granted by the Department of Energy, Mines and Natural Resources. The road extends about 40 miles. About 80 miles remain yet to be built, but that road running through Manicouagan could serve at the same time the towns of Gagnon, Wabush, Labrador City, Schefferville, and eventually the Churchill Falls project. Work has already started—

Mr. Georges Valade (Sainte-Marie): Would the hon. member permit me to ask him a question?

Mr. Blouin: Certainly.

Mr. Valade: I would not want to interrupt the hon. member for Manicouagan, who champions very well the interests of his riding, but I would like to merely ask him what he thinks about the statement and the answer made by his colleague, the hon. member for Trois-Rivières (M. Mongrain), who so justly taxed our colleague of wanting to spend the Canadian government's money, when it does not have the means to spend that money. Am I to understand that the hon. member for Manicouagan does not agree with the hon. member for Trois-Rivières?

Mr. Blouin: Mr. Speaker, in answer to the hon. member for Sainte-Marie, I am pleased to say that I have listened with the greatest interest to the remarks made by the hon. member for Trois-Rivières, who always expresses himself well, and who has dealt with the financial aspect of the matter.

Of course, that is an interesting aspect, and it can get difficult when projects of millions of dollars are at stake. I do understand that, for any government, those projects are not easily implemented. But I think that my colleague for Trois-Rivières expressed himself very well, particularly on the financial aspect.

However, to go back to the financial matter and to the development of the north, in Newfoundland as well as in Quebec, there is room for fantastic developments, Mr. Speaker, projects of $2 billion for the construction of railroads, towns, port facilities, etc. This means that the federal government has also drawn large revenues from the investments made in that area of my constituency and this would justify consideration of the plan. Indeed, I read in a recently published magazine *The Region with a Future*, that the mining companies operating in northern Quebec and in Newfoundland pay each year some $25 million to the treasury. I think therefore that this would justify some federal investments in spite of other plans, as my hon. colleague for Trois-Rivières so well stated. However, I am aware of the fact that this is impossible because of various problems throughout the country. Certain projects are urgent, but a population of about 50,000 inhabitants cannot be indefinitely neglected.

Request for Second Trans-Canada Route

I think that all the members on both sides of the house do not realize how the population has increased in that part of Labrador. Now, speaking of Labrador, I wish to mention that Labrador is not located only in Newfoundland but also in Quebec, I must admit that most of it is in Newfoundland, but still a part of it is in Quebec. I wish to emphasize that when one speaks of Labrador one must not forget that there is also a part of it in Quebec. It is true that most of Labrador belongs to Newfoundland, but nevertheless a part of it belongs to Quebec.

Mr. Speaker, I wish to say that the federal government has agencies and instruments which could be used for such projects. But beforehand, there must be a federal-provincial agreement.

These agencies, these government institutions could help by participating in such a project. Legislation concerning participation in the construction of access roads to our natural resources could be brought up to date. There is the ARDA program, which is important and could help in such an undertaking.

We should all work together to help these isolated people and give them the means of communication to which they have a right. If we used to this end the revenues I mentioned earlier—for this undertaking would certainly justify such an investment—I think we could get some concrete results.

Mr. Speaker, may I call it six o'clock?

[*English*]

Mr. Deputy Speaker: Order, please. The hour provided for the consideration of private members' business has now expired.

BUSINESS OF THE HOUSE

Mr. MacLean: Mr. Speaker, for the convenience of hon. members would the government house leader restate the sequence the government proposes to follow in placing business before the house tomorrow and Friday?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker. The first order of business will be a motion for interim supply. When that has been dealt with the house will return to the

motion to set up a committee to report on procedures to deal with statutory instruments. Following that, the government proposes to call the resolutions preceding the three farm finance bills.

Mr. Deputy Speaker: It being six o'clock this house stands adjourned until tomorrow at 2.30 in the afternoon.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, September 26, 1968

The house met at 2.30 p.m.

[*Translation*]

THE LATE HON. DANIEL JOHNSON

EXPRESSIONS OF REGRET ON PASSING OF QUEBEC PREMIER

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the background of our great country is composed of telluric elements of great resistance. Each one of these elements contributes to the strength and personality of our country. From day to day those elements become more obvious, for it will not always be so. From time to time one is tempted to doubt the vigour of the Canadian identity, but in times of distress or of deep reflection, the powerful ties which unite us as Canadians stand out boldly.

Mr. Speaker, one of those ties is the stature of the men who are dedicated to public life in our country. Another tie is the fact that those in power in Canada have always, each in his own way, dedicated themselves to the welfare and the progress of Canada.

It may be said that Canadians have been well served by the men in their public life and that, when one of them passes away, regardless of what part of the country he comes from, it means a loss for the whole country. When a man of Daniel Johnson's stature leaves us, it is not merely the Canadians of that part of the country who are dealt a blow, but Canada as a whole.

[*English*]

Daniel Johnson exemplified those traits which any political leader, or any man, could well choose as standards of measurement: dedication to his country and his province; pride in the achievements and beauty of his culture and its language; courage in the face of adversities both personal and political; calmness and moderation on occasions when a lesser man would have exhibited neither; loyalty to his party and its convictions; devotion to his family.

[*Translation*]

All Canadians know that our country is going through a period of capital importance for our future and that the basic values themselves are those which are sometimes questioned when the future is discussed.

There is no doubt that Mr. Daniel Johnson was one of the distinguished participants and interlocutors in that important dialogue which is now going on between Canadians and through which he was trying to find the common values on which the country could agree and unite. We will not forget that his objective was the recognition and the protection of the rights of French Canadians, since that protection is a matter of conscience for all Canadians and it is also, I think, the objective of all good men in Canada.

The people Mr. Johnson represented in the legislature, those who had elected him, those he had served for many years in his riding, know that they could not have a more conscientious, more energetic and, may I say, gracious spokesman.

On behalf of the government of Canada I express my most heartfelt sympathy to his family, to Quebeckers and to the government of Quebec.

Death could not come, Mr. Speaker, at a more untimely moment for this great Canadian.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I was much grieved to hear of the death of Hon. Daniel Johnson.

His friends knew how heavy was his task but we hoped he had completely recovered and was able to resume his duties.

His death is a cruel loss for his family and deprives the country of an experienced and very talented politician. The country loses a man who, even in cases of disagreement at the official level, liked to retain cordial personal relations with the people he met.

He was a gentleman and those who knew him will regret his courtesy, his warmth and his charm.

• (2:40 p.m.)

[*English*]

Daniel Johnson lived his life in the public service, Mr. Speaker. He was first elected to the legislature of Quebec in a by-election late

in 1946. He was re-elected six times and served his legislature as deputy speaker and his province as a member of cabinet. Nearly seven years ago he was elected to lead his party. He led it well, and in June, 1966, became the premier of his province, one of the most important and difficult positions in this country. It is a good record, sir.

[*Translation*]

He was premier of Quebec at a time when the evolution of events in that province caused concern in other parts of Canada. It was therefore inevitable that he should be to a certain extent a controversial figure in his country.

I think that, at the present time, a premier of Quebec who loves his people and his country and wants to be loyal to them cannot help but be a controversial figure.

His course was a difficult one, but he followed it with patience and good humour.

He travelled across the country with his family. He wanted to get to know the country as well as he knew the province of Quebec where he was born.

Daniel Johnson wanted to build both Canada and Quebec, and he devoted his life to building a country where all Canadians could fulfil their aspirations.

On behalf of my party as an officer of the House of Commons and personally, because I had the opportunity to work with Premier Daniel Johnson and because I respected and considered him highly, I wish to offer my sincere sympathy to his family, his friends and colleagues as well as to the fellow-citizens of the deceased premier.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I join with the Prime Minister and the Leader of the Opposition in expressing our deep sense of shock at the death of Premier Daniel Johnson, and our sincere condolences to the government and people of Quebec and to the family of our late, distinguished Canadian. I speak on behalf of our party and of my colleagues who are here with me. I might add that a short while ago, over the telephone, our parliamentary leader, the hon. member for York South (Mr. Lewis), asked me to express his deep regret that illness prevented him from being here today to express his sorrow on this occasion.

We were all shocked this morning to hear the news that came to us. Only yesterday we watched and heard Daniel Johnson on television. He seemed to be in good health; certainly he was in good form as he discussed issues that are of concern to us in this country.

When we think of him we are conscious of the fact that he was an articulate exponent of his point of view, a point of view shared by many of our French speaking fellow Canadians. It must also be said that although he expressed strongly and vigorously his point of view, a great deal of credit goes to him for the fact that we have developed a state of dialogue in this country with respect to relations between French speaking and English speaking Canadians, and with respect to relations between Ottawa and Quebec.

Mr. Johnson, as I say, was a vigorous exponent of his views but he was also a loyal Canadian who believed that the destiny of this country is for us to remain together and build a strong and united Canada. Not only will the people of Quebec miss him, but Canada as a whole can ill afford to lose such a leader at this time.

[*Translation*]

Mr. Speaker, on behalf of my colleagues of the New Democratic Party, I wish to express my most sincere sympathy to Mrs. Johnson and to the members of her family.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, on behalf of the Ralliement Créditiste I wish to join with the other members of the house to say how we were deeply grieved this morning at the news of the sudden death of Hon. Daniel Johnson, premier of the province of Quebec.

Such a death will be deeply mourned by all the Quebec people and the whole French Canadian nation, and especially by the people of Bagot county, a great part of which is included in Shefford constituency which I have the honour to represent here and which has just lost its member of parliament.

As premier of his province since 1966, and member for Bagot since 1946, he might still, on account of his experience and talent, have served the province of Quebec and all the French Canadian people for many years to come.

In its unfathomable ways Providence has decided that he would no longer be with us after giving yesterday the most eloquent and the most important press conference of his whole political career, as if it were to be the crowning achievement of his work.

How forcefully are we reminded of the fragility of life. Although it is full of great possibilities, it is at the same time limited and conditioned by its span and its events.

Mr. Johnson had the courage of his convictions. He had his own disposition, of course. I knew him very well because on many occasions, as members of a good part of the same riding, we presided at the opening of the baseball or hockey season and at the inauguration of sports centres or schools. That is how I came to know the premier of Quebec as a public man and also as a good father.

On television yesterday he said something which impressed me this morning. He said that his illness had made him more human. But today his ailment takes him away from humans and puts an end to his life.

This afternoon he was going to inaugurate the Manicouagan dam which is the most important hydro-electric project in Quebec.

Hon. Maurice Duplessis died in Schefferville, an important mining centre in Quebec. His successor, Hon. Daniel Johnson, died on duty in Manicouagan, an hydro-electric centre in the same Quebec area, in circumstances similar to those which preceded the death of Mr. Duplessis, who liked to look upon Hon. Daniel Johnson as his own son.

History will rate Daniel Johnson as a politician and a statesman who has definitely marked out French Canadian political life. His love of work, his loyalty to his province, his clearsightedness will be missed greatly in Quebec. The strenuous political life which he had set for himself and the responsibilities which he had to assume have unfortunately taken away too soon this dearly beloved father from his family.

On behalf of the Ralliement Créditiste we express our deepest sympathy to Mrs. Johnson, her children and all his relatives, and especially his constituents in the riding of Bagot.

Some of his political enemies might silently rejoice. As far as we are concerned, we share the grief of the whole French Canadian people.

Mr. Trudeau: Mr. Speaker, I move, seconded by the hon. Leader of the Opposition, that this house do now adjourn.

Mr. Speaker: Pursuant to the motion of the right hon. Prime Minister (Mr. Trudeau), seconded by the hon. Leader of the Opposition (Mr. Stanfield), this house stands adjourned until eleven o'clock tomorrow morning.

Motion agreed to and the house adjourned at 2.50 p.m.

HOUSE OF COMMONS

Friday, September 27, 1968

The house met at 11 a.m.

MESSAGE FROM THE SENATE

Mr. Speaker: Order, please. I have the honour to inform this House that a message has been received from the Senate informing this house that the Senate has passed Bill S-2, an act amending the Publication of Statutes Act, for which the concurrence of this house is desired.

GRAIN

WHEAT—PRODUCTION, MOVEMENT, PRICES AND OBJECTIVES—CANBERRA MEETING

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I should like to make a statement on wheat. World wheat production in 1968 will likely exceed 10 billion bushels, the third consecutive year in which the 10 billion bushel mark will have been surpassed. This is well above the average of the early 1960's. Competition for export markets will continue to be very keen. During the current crop year, for the period August 1 to September 18, Canadian exports of wheat and flour were 46.7 million bushels as compared with 43.6 million bushels in the same period last year.

Adverse weather conditions in western Canada have delayed the harvest and two weeks of clear warm weather are still required to enable farmers to complete their harvesting operations. Approximately 50 per cent of the crop remains to be harvested at the present time; the grades will be lower this year due mainly to frost and sprouting. The magnitude of the problem associated with handling tough and damp grain will depend a great deal on weather conditions during the next few weeks.

Top priority is being given to the movement of grain from the lakehead terminals to eastern positions for export and domestic use. This movement has been very impressive since the strike ended. During the first ten days of work over half of the 11,863 box cars waiting on track were loaded into the lakehead terminals. This has freed cars for movement from country points, and the movement from country elevators is now proceeding in a more normal fashion.

If there are large quantities of grain with high moisture, the Canadian Wheat Board, the Board of Grain Commissioners and the private grain companies will make every effort to handle such grain from the farmers before it goes out of condition. However, first priority must be given, before the close of navigation, to the movement of clean, dry grain to the lakehead for onward shipment to eastern positions.

As the house is aware, the purpose of the recent Canberra meeting was to review the world wheat situation and the operation of the new international grains arrangement since its entry into force on July 1. The result was positive. Exporter representatives expressed their determination to operate the new arrangement effectively and achieve its objectives, including the observance of the arrangement with respect to minimum prices. Satisfaction was expressed with the operation of the agreement to date and understandings were reached on action to be taken to strengthen the arrangement. It was agreed to fix minimum prices for two Australian hard wheats, and price guide lines were set for certain other wheats not listed in the schedule. New procedures were accepted for the collection of reliable ocean freight information for the calculation of minimum price equivalents and for keeping international wheat prices and export performance under continuing review.

The decisions and recommendations of the Canberra meeting will now be submitted to the prices review committee of the International Wheat Council, which includes representatives of importing countries. This committee will meet in early October, in London. The successful outcome of the Canberra meeting will contribute to price stability for wheat and facilitate the effective implementation of the grains arrangement.

The objective of the government of Canada and the Canadian Wheat Board is to secure 25 per cent of more of world wheat trade. This will mean exports of 1.3 billion bushels in the next three years.

Sales of Canadian wheat are being aggressively promoted on a direct seller to buyer basis. In conjunction with Expo, the Canadian Wheat Board invited all the major wheat buyers from around the world to visit Canada

for marketing discussions and tours of our grain facilities. These visits aroused a great deal of interest and are now being followed up by Canadian Wheat Board missions into overseas markets wherever a sales potential exists.

• (11:10 a.m.)

I have written personally to senior trade commissioners of each of my department's offices abroad to ensure that no sales opportunity is overlooked. They are to submit market development suggestions based on their on-the-spot experience.

Private grain companies in their position as agents for the Canadian Wheat Board have a vast network of overseas contacts and are vigorously pursuing all export opportunities.

Individual sales on credit terms are being negotiated and I expect that the extension of credit arrangements by the government will result in the conclusion of significant sales in the near future. The government continues to purchase substantial quantities of wheat and flour for Canada's food aid program.

In order to mobilize more effectively the energies and experience of associations and organizations directly concerned with wheat exports, the government will establish, as a matter of priority, a national grains council. The Minister of Agriculture and I will be meeting with the interested groups in Winnipeg on October 16 to discuss the scope of the council's membership, its organization, administration, and terms of reference.

As I stated earlier, our objective is to export 1.3 billion bushels of wheat during the next three years. We are determined to do that or better.

In conclusion, the Minister without Portfolio (Mr. Lang) and I are collaborating closely on all these matters. He will shortly be introducing legislation to double the level of cash advances for grain producers. Together with our colleague, the Minister of Agriculture, and with the help of the national grains council, we shall be addressing ourselves urgently and intently to both the short and long term problems and opportunities for the Canadian grain industry. The grain economy of Canada is a matter of national interest. Success in our production and sales policies and performance is a major factor in Canadian prosperity from east to west.

Mr. Eldon M. Woolliams (Calgary North): I am pleased the Minister of Industry, Trade and Commerce has seen fit to make a statement. Many members of the party to which I belong, particularly from western Canada, have been pressing for information from the minister ever since this session began.

At the outset I might say we are happy that at long last the government recognizes the situation to be a serious one. I agree that western Canada is encountering serious difficulties from the point of view of climate. But farmers have faced bad weather before. The most serious problem which faces western Canada arises from the fact that when the international wheat agreement was negotiated by the former government—and many of the ministers responsible are members of the present administration—the negotiating team did not reach the conference at Geneva on time. In our opinion, and in the opinion of many experts in the agriculture field, the farmers of Canada were shortchanged in this regard. Before the agreement was approved by the various parliamentary institutions and governments of the exporting and marketing nations, the United States, a business country with a large surplus, dumped her grain on many of Canada's traditional markets.

This situation is the most serious which western farmers have faced since 1956 when approximately 700 million bushels of wheat were piled up on the farms and in the elevators. Crops are above average in most parts and quotas are very low—practically negligible. Financing is hard to come by at this time of the year and as a result farmers are having difficulty in meeting their obligations. Young farmers especially, who just entered the trade within the last few years, are unable to meet their mortgage payments, and if it were not for provincial legislation in Alberta and Saskatchewan foreclosure would be the letter of the day. Therefore I must say that on the shoulders of the government rests the responsibility for the fall-off in markets.

Members of the government can bring in new legislation which is commendable in reference to increasing the cash advances, and which will temporarily relieve the situation. On that matter I congratulate them, but the fact remains that the grain trade will not become healthy unless farmers are able to sell their commodities; and the loss of markets is the responsibility of the government.

Since the Minister of Industry, Trade and Commerce (Mr. Pepin) has said that the spokesman for western agriculture is now the Minister without Portfolio from Saskatchewan (Mr. Lang), together with the Minister of

Agriculture (Mr. Olson)—and this is no personal criticism of the Minister of Industry, Trade and Commerce—I would hope that the Prime Minister (Mr. Trudeau) will see to it that the Wheat Board will fall mainly under the jurisdiction of a man from western Canada. I say this because when the Minister without Portfolio from Saskatchewan and the Minister of Agriculture go out to western Canada to discuss agricultural problems, the main problem involved is with regard to the Wheat Board and grain markets. How then can they intelligently answer western farmers, when the jurisdiction for the Wheat Board is in the hands of another minister who is not out in the field at that time?

Without personal criticism of the Minister of Industry, Trade and Commerce, who did an excellent job last year with reference to exports of petroleum, the first recommendation I would like to see emerge is that jurisdiction over the Wheat Board should be placed in the hands of the Minister of Agriculture, as was the case during the term of office of another government, or in the hands of the Minister without Portfolio from Saskatchewan, who has said he would inherit that jurisdiction.

As the Winnipeg *Free Press* has pointed out, the main thing is to export grain. Many critics are talking about a two-price system, but that would not mean very much to the western farmer because domestically we consume approximately only 50 million bushels in Canada, including some domestic consumption for feed stock. Therefore if we introduced a two-price system, as suggested by some experts, providing another nickel a bushel for exports, it would not help the western farmer very much. It is the responsibility of the government to find markets, and I repeat that the responsibility for the loss of those markets lies directly on the shoulders of some of the ministers who sit in the government.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I am pleased that the minister has now made a statement in the house. Certainly it was time that a statement like this was made to clear up some of the serious doubt that farmers in western Canada have regarding the strength of our position in international grain markets.

I am glad the minister feels that as a result of the Canberra meeting there is finally going to be some real stability in the new international grains agreement. But if I heard the minister correctly he said that agreement has worked satisfactorily up to now, and with this I would have to disagree. It has not, and the farmer in western Canada paid the shot last year by sacrificing sales and holding the line while the ground was cut from under us by other exporting countries. I sincerely hope that the minister's confidence in the I.G.A. and in other exporting nations is now justified.

I also hope that at an early date the minister will give us some of the facts as to what will be done by the proposed national grains council, and what its purposes will be. Until now we have had a grain organization, in terms of the Canadian Wheat Board, the Board of Grain Commissioners, and the integration of farm organizations into the advisory committee of the wheat board, that farmers have considered satisfactory. I think this house should be clearly told what the purposes of the proposed national grains council are, who is going to be on it, and what it is going to do.

• (11:20 a.m.)

A statement which appears in the Winnipeg *Free Press*, and which was circulated to us, says that there is a need to sell more for less. As a farmer I never became rich selling more for less. There apparently are people, not in this house I am sure but in some places, who believe we should do this. No mention was made of the inland grain terminals being used for drying purposes. I hope this will be part of the program for taking care of our out-of-condition grain. Because of the confidence I have in the officials of the Canadian Wheat Board and the Board of Grain Commissioners I fully expect that this will be part of the program.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, we are happy to note that one of the great Canadian resources is the abundance of western wheat. We ask and we hope that the government, fully aware of its responsibilities, will look upon this abundance as a manifestation of God's generosity.

This generosity should be used to feed humanity. There is no lack of technical means to transport this wheat to the countries which need it and it is the duty of the Minister of Trade and Commerce (Mr. Pepin), in co-operation with the Minister of Finance, (Mr. Benson) to find ways to distribute part of this Canadian wealth to those countries.

There is always a railway transportation problem for the eastern farmers, as the minister has stressed.

In 1962, in this house, I asked that grain elevators be built and transportation made by water. Everyone welcomed the suggestion that the waterways should be used to help the eastern farmers but, although the Liberals have succeeded the Conservatives, the problem has not been solved yet and today the question is how to move western grain to the eastern farmers. The farmers would pay much less by water and greater consumption would result, if the farmers did not have to leave their farms.

I cannot understand that the Parliamentary Secretary to the Minister of Agriculture (Mr. Côté) has not found a way to have grain elevators built in eastern Canada so that grain, so plentiful in western Canada, can reach eastern Canada, and farming can become an economic operation.

I hope, therefore, that this affluence will be distributed throughout the world, after the problem has been solved in Canada, so that this plenty which God allows will not be a punishment but a blessing for all the Christians of the world.

[*English*]

POST OFFICE DEPARTMENT

STATEMENT RESPECTING OPERATIONAL CHANGES

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, I have a statement regarding certain changes in the operations of the Post Office. The Post Office Department in its continuing study of the requirements of the various services has reached the conclusion that a number of changes should now be made. The increased costs of labour, supplies and transportation has added substantially to the cost of operating the Post Office Department. We consider that the department must operate within the limits of the revenue produced. The contemplated changes will produce a substantial reduction in the cost of operating the department.

Our studies have indicated that several services are no longer required to the same extent as in the past. Business firms generally are operating on shorter hours and on a five day week. There is not, therefore, the same need to provide postal service on week ends when most businesses are closed. I should like to remark here that approximately 80 per cent of all first class mail originates in business and in government. It is, therefore, intended to close the post offices on Saturdays. Deliveries of mail will not be made on Saturdays. This will include letter carrier service, parcel post and rural route deliveries. Special delivery service will continue to be provided on a seven day week basis. Mail will continue to be processed and forwarded to destinations over the week end in order to be available for delivery on Monday. Mailings are generally very light on Saturdays and Sundays and this essential work can be carried on by a minimum staff.

In order to provide the means to purchase stamps on Saturdays, sub post offices which are operated in connection with retail outlets which are open on Saturdays, will remain open. A program to instal additional stamp vending machines will also be undertaken.

These changes, which are scheduled for implementation on February 1, 1969 will provide a much more desirable work week for the majority of postal employees. These changes represent significant improvements in working conditions and we are convinced they will be readily acceptable by the majority of Canadians.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I may say at the outset that this is a somewhat casual way of announcing the diminution in the service of one of the great public utilities of this country. I note the minister is announcing on a week end that in effect the postal services will be operated on a five day week. Let me reflect further on the merits of the case.

I should like to say in passing that it is regrettable that the traditional courtesy extended in the house of allowing opposition members to have a gander at statements of ministers is not being followed. I have some difficulty in dealing with what the minister has just said. I noted his reference to the closing of some sub post offices and the retention of service in some others. It would strike me that, according to the dissertation that he has just made, he might be in danger of having the jurisdiction in effect, in relation to the service to be rendered, geared to another authority rather than the government of Canada. I think these matters must be looked at with great care.

It is also my belief that the whole subject might have been introduced in a less casual way, so that the matter at this initial stage could have been reflected upon by the people

of the country. It could then have been given more serious consideration.

I can promise that in the future we shall have more to say about this matter. At this time we have no reason to believe that there is not a good deal of merit in the suggestion. We do want to see improved facilities for the workers in our post offices, but we do not want any detriment to the service to our public.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I join with the hon. member for Hillsborough (Mr. Macquarrie) in expressing some amazement at the casual way in which a long standing practice in this country can be changed simply by a government announcement. It does seem to me that, with an item in the name of the Postmaster General on the order paper, which means that in due course we will be discussing matters affecting this department, there might have been a discussion in the House of Commons about this proposal before it was brought into effect.

The Postmaster General has made some pretty categorical statements about the extent to which businesses are on a five day week. It strikes me that he has been a bit rigid in what he has said, and that parliament ought to have had the opportunity to consider the position of those who may require service over the week end. I would point out that the suggestion that special delivery service will still be available on Saturday and Sunday is a way of saying that if people must have service on week ends, which they have been used to over the years, they will have to pay higher rates.

As the hon. member for Hillsborough suggested, there is undoubtedly merit in the idea of streamlining and making changes. We should not be people who say that because something has always been done, that is the way it should always be done. However, it does strike me as a bit alarming that we are beginning to get this succession of announcements on a unilateral basis from the government benches as to changes that are going to be made.

We had one from the Prime Minister a couple of days ago that we did not like. Now we have one from the Postmaster General. Who next without prior discussion, is going to stand up and tell parliament what is going to be done? As I have already said, there is an item on the order paper which we will reach in due course. I hope that when we reach it, we will be able to discuss all aspects of the work of the Post Office Department.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, first I wish to tell the minister that we are glad of his endeavours to rejuvenate the Post Office Department and make it more efficient. However, I also want to tell him that we are disappointed that opposition parties have not been consulted once again—it is always the same thing. Opposition parties are not here just for the sake of appearance and should be consulted before measures like the one which is now proposed are adopted.

Evidently, the department must keep its operating costs within its income to be economical and to balance its budget. A close look at the revised estimates tabled this week reveals that operating costs—at least, as given—are much higher than had been expected. What has happened? No one knows and we cannot find out.

Le Devoir, on May 23, 1965, reported as follows, and I quote:

> In his report dated September 27, 1965, Justice Anderson made the following comments:
>
> "While in the process of determining whether the salary rates of postal employees are fair and reasonable, I reached a point where I wondered whether, with a view to ensuring a better postal service in Canada and to meeting the needs of the people who deal therewith, it might not be advisable to hand over the administration of that service to a crown corporation."

I do not mean to say that we are necessarily in favour of setting up a crown corporation, but I feel the house should know whether or not the hon. minister intends to transform the Post Office Department into a crown corporation, or whether he intends to continue making changes of minor importance as he is now doing?

Mr. Speaker, should those be the intentions of the minister, I feel it would certainly be in order for him to advise the house before making them rather than after.

• (11:30 a.m.)

[*English*]

NAVIGABLE WATERS PROTECTION ACT

WATER POLLUTION—AMENDMENT RESPECTING FINANCIAL RESPONSIBILITY FOR REMOVAL OF POLLUTANTS

Mr. Richard J. J. Durante (Comox-Alberni) moved for leave to introduce Bill No. C-105, to amend the Navigable Waters Protection Act (prevention of water pollution).

Some hon. Members: Explain.

Inquiries of the Ministry

Mr. Durante: Mr. Speaker, it is the purpose of this bill to place financial responsibility on the owners for the immediate removal of a wreck or its cargo causing water pollution or constituting a danger to water fowl or marine life.

Motion agreed to and bill read the first time.

FINANCE

INQUIRY AS TO POSSIBILITY OF BALANCING BUDGET

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister. In view of the statement in the prospectus filed by the government with the United States securities and exchange commission on May 25 this year, stating the intention to "reduce expenditures further to a level of $10,225,000,000 which would bring the government budgetary position for the fiscal year of 1969 very close to a balance," is it the intention of the government to honour that commitment to have the budget very close to balance?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, this seems like the beginning of the debate on the budget.

Some hon. Members: Oh, oh.

Mr. Lambert (Edmonton West): Answer.

Mr. Trudeau: Mr. Speaker, the estimates which were tabled the other day obviously make it clear that expenses which are not controllable by the government have risen beyond any expectation. It is obvious that we cannot break a statute or an agreement which has been reached with the provinces, and that these expenses have exceeded everyone's expectations. We have tried to compensate for that by cutting very seriously into all the controllable expenditures. We have done so in spite of the repeated demands by the opposition that we spend more in every area, and their objections to any cuts that we announce any day.

I think the federal-provincial conference of finance ministers which is coming up in the next couple of months will attempt to reach agreement with the provinces that cuts be made in the areas non-controllable by us. If we succeed, we will be able to tell the United States that we will come as close to meeting our intention as we can. But until we have either the authority of this house to reduce our statutory obligations, or authority from the provinces to reduce our matched grants, we cannot make this commitment.

Mr. Stanfield: A supplementary question, Mr. Speaker. Does the Prime Minister believe that either of the alternatives that he suggests, reducing the obligations shared with the provinces or reducing the statutory obligations of the government, have any prospect of enabling the government to achieve close to a balanced budget this year? Are these suggestions put forward seriously in reply to my question?

Mr. Trudeau: Mr. Speaker, I repeat that this is really a budget debate. If I were to say we would triple taxes, I am sure we could balance our budget; but this is not a statement I am prepared to make now.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. Is it the intention of the government to try to balance the budget without raising taxes?

Some hon. Members: Oh, oh.

TRANSPORT

BOUNDARY BAY, B.C.—REQUEST FOR INDEPENDENT SURVEY OF RAIL LINE

On the orders of the day:

Mr. Barry Mather (Surrey): Mr. Speaker, I should like to direct my question to the Minister of Transport. Will he consider authorizing an independent engineering survey of the economics involved in re-routing the contentious Boundary bay railroad in British Columbia?

Mr. Speaker: Order, please. I invite the hon. member to place his question on the order paper.

[Translation]

PUBLIC SERVICE

REQUEST FOR LEGISLATION TO INCREASE RETIREMENT PENSIONS

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to put a question to the Prime Minister and ask him if he intends to introduce during the present session legislation providing for an immediate increase in the pensions of superannuated civil servants?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, this is an example of the attitude of the opposition which complains each

time we make reductions and which, on the other hand, would blame us if we wanted to increase taxes.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. In view of the fact that already this session the Minister of Finance has said this matter is under consideration, will the Prime Minister answer the question that was just put to him by my hon. friend?

Some hon. Members: Hear, hear.

EXTERNAL AID

BIAFRA—CRITICISM OF CANADIAN POLICY—SHIPPING METHODS

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, has the government received a communication from the 80 Roman Catholic bishops who have been meeting in Winnipeg this week, strongly criticizing the government for hiding behind the curtain of non-intervention in Biafra? If so, would the Prime Minister table the communication and the government's reply to it?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I do not know of any such communication. While I am on my feet I would say clearly to the churches, to the Canadian people and to the members of the opposition that there is a distinction between the government aiding Biafra over the head of a friendly state like Nigeria, and the churches themselves. The Red Cross did not get as much money from the Canadian people or from the churches as was hoped. If the Canadian people want to do more about Biafra, they are certainly welcome to do it; but both they and the opposition should realize there is a great distinction between the Canadian state helping a rebellious cause in a friendly nation and the Canadian people doing it themselves.

Some hon. Members: Hear, hear.

Mr. Hees: I have a supplementary question. I am sure the churches will be interested in the lecture which the Prime Minister has read to them; and as he has said that he is not aware of any communication—

Mr. Speaker: Order, please. Would the hon. member kindly ask his question.

Mr. Hees: May I ask a supplementary question, Mr. Speaker. Would the Prime Minister check with his office when he returns to it because I think he will find there a little something waiting for him.

Mr. R. N. Thompson (Red Deer): I wish to direct my supplementary question either to the right hon. Prime Minister or to the Secretary of State for External Affairs. In the light of the fact that food for Biafra, in contrast with food for federally held territory, can arrive only by way of the Red Cross on the Fernando Po and the church groups on Sao Tome, will the government undertake to send some of the latest shipments of food to these islands so that they have some hope of reaching the Biafran people.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, permit me to answer the question. I spent some hours with General Wrinch of the Canadian Red Cross discussing this question, and I think it can be done.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Would the Secretary of State for External Affairs tell us if he intends to assist Biafra before or after the occupation by federal troops?

[*English*]

Mr. Thompson (Red Deer): Mr. Speaker, my second supplementary question relates to the actual shipping of food. In view of the fact that the Red Cross and other relief organizations have said that Hercules aircraft are by far the best for this type of shipping of food into Biafra, has the government considered lending Hercules aircraft for this purpose to the Red Cross?

Mr. Sharp: Mr. Speaker, there has been some discussion of this matter with the Red Cross. It is the considerations raised by the Prime Minister that have caused us to pause. Of course we would have no difficulty if the Red Cross and the other organizations which are supporting the Red Cross wish to charter a plane and fly it in any cause that they wish, but it is quite another matter for the government to get involved directly because I am afraid that that would be considered a very unfriendly act.

Mr. Thompson (Red Deer): The Swedish government is doing it.

Mr. Stanfield: Do I understand the Secretary of State for External Affairs to be suggesting that Canada would be reluctant to provide a plane for the Canadian Red Cross to bring relief to the people who are dying

because it might be regarded as an unfriendly act?

Mr. Diefenbaker: That is what he said.

Mr. Trudeau: Mr. Speaker—

Mr. Hees: Here he goes again.

Mr. Trudeau: Does the hon. member not wish me to speak?

Mr. Hees: Go ahead. We are all very enthusiastic and very pleased to hear you.

Mr. Trudeau: Mr. Speaker, may I repeat the government's position that we have helped the Canadian Red Cross; that much earlier we sent an aircraft, and offered Hercules aircraft to them. One of them went to Lagos with food and drugs.

Mr. Thompson (Red Deer): What good is it to Lagos?

Mr. Trudeau: It is good for Lagos. We were acting in the way the Red Cross have suggested and we would still do that for the Red Cross. The point at which the government stops is when it is committing an act of war against a friendly state, which in this case would be Nigeria.

Some hon. Members: Oh, oh.

Mr. Trudeau: Don't say oh. Listen a little bit.

Mr. MacEwan: Heil Hitler.

An hon. Member: Dictator.

Mr. Trudeau: I invite volunteers from the opposition or from the churches to do as have volunteers in other parts of the world, that is to fly into Biafra to help these people. If the Canadian government were to put an air force plane manned by air force personnel at the unconditional disposal of the Red Cross, and if that plane were to be shot down over Nigeria, I am sure the opposition would ask us to send troops in there to protect our own people, and if they did that they would be showing a sense of irresponsibility because our action had been met by a hostile reaction. This is the dilemma in which we find ourselves. We commend the Red Cross, the churches and the members of the opposition as well as those members of the public for wanting to do something to help.

Mr. Bell: You are changing your mind now.

Mr. Trudeau: We cannot intervene, short of commiting an act of war against Nigeria and intervening in the affairs of that country. May I repeat that 29 out of 33 members of the Organization for African Unity have refused to do so. These African states themselves have said they would not interfere in the affairs of Nigeria. It would be very wrong for Canada to interfere in the affairs of Nigeria and to send our own army and air force there, even under a humanitarian guise, to do something which would be a violation of that nation's frontiers. I hope that even if the opposition does not see that, the Canadian people will. If they want to be generous with their lives and their money, I wish to heck they would.

Some hon. Members: Hear, hear.

[*Translation*]

[*Later:*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a supplementary question for the right hon. Prime Minister, following the speech he has just made.

He said that he did not want to take steps which the O.A.U. itself does not intend to take. Is the right hon. Prime Minister familiar with the reasons preventing the O.A.U. from taking a stand at present in the Nigerian conflict?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, those meetings were public—they were taking place in Algiers—and I think that the reports we have received are available to everybody.

The African states consider this to be a civil war within a state. All these African states themselves are made up of a great many tribes. They know that if one tribe rebels in just one of these countries, whether it be in Congo-Brazzaville, Congo-Kinshasa, Nigeria or Senegal, and if all the other African states were to intervene to help this one rebellious tribe, there would be fighting and bloodshed all over Africa. That is what they see and what the opposition does not seem to understand.

Some hon. Members: Hear, hear.

[*English*]

Mr. Max Saltsman (Waterloo): Mr. Speaker, I have a supplementary question for the Prime Minister. I should like to ask the Prime Minister, in view of how the situation in Biafra has touched the conscience of the Canadian people—

Mr. Speaker: Order, please.

Mr. Saltsman: —is he not prepared to have the government—

Mr. Speaker: Order.

UNITED NATIONS

BIAFRA—RESOLUTION TO DISCUSS HUMANITARIAN ASPECTS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to direct a question to the Prime Minister and ask him, in view of the fact that this matter of Biafra covers two or three departments, whether he can now give us any information that the deep humanitarian feelings of the Secretary of State for External Affairs for the starving people in Biafra have impelled the government to bring about, together with other nations in the United Nations, the introduction of a resolution.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I answered this question at the last opportunity I had for answering questions. We are still hoping it will be possible to have the humanitarian aspects of these tragic events discussed at the United Nations. However, as I have said before, I do not believe it will help the starving people of Biafra to have a debate in the United Nations on the political future of Nigeria, and that is the reason that most countries have been very reluctant to introduce a resolution in such a way that it would lead only to that type of debate.

Mr. Diefenbaker: I have a further supplementary question. May I ask the minister why Canada has not given a lead in this regard and launched a resolution, and why it has not found out which nations are against action being taken. While we talk and the United Nations dilly-dallies on this, thousands are dying every day.

Mr. Sharp: Mr. Speaker, if I had any evidence to suggest to this house that the introduction of a resolution of this kind would help the people of Nigeria and Biafra, I would certainly have no hesitation in introducing it. The information I have obtained from all the countries with which our delegate has discussed the matter is that this must be approached in a way which will ensure that the United Nations deals with the humanitarian aspects and that a debate between the great powers of the world on the future of the government of Nigeria is not entered into.

Mr. Andrew Brewin (Greenwood): I have a supplementary question. I wonder whether the Secretary of State for External Affairs could tell the house if he has had any reply to the letter which he wrote to the secretary general of the United Nations, and if he has, will he table it so that the house can see it?

Mr. Sharp: Mr. Speaker, I had hoped to have a reply by this week. It has not yet been received. I shall certainly table it as soon as it is received.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, my supplementary question is for the Prime Minister. Since the Prime Minister and his government concern themselves with intervention in the internal affairs of Nigeria, why the somersault? They arbitrarily interfered in the internal affairs of Rhodesia and now there has been a complete somersault.

Mr. Trudeau: This was a United Nations decision; that is the whole difference. It was a Security Council decision.

DRUGS

AVAILABILITY OF VACCINE TO COMBAT INFLUENZA

On the orders of the day:

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the minister of health and welfare. In view of the alarming statement made by a prominent Canadian doctor that the A-2 flu bug will hit North America this fall, that it will be severe, and that at present no virus vaccine is available, can the minister assure the house that all necessary steps are being taken to provide the vaccine so that the public may be protected?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I believe the department is going to deal with this matter but I should like to take the question as notice and reply early next week.

AGRICULTURE

MONTREAL—CLOSING OF ATWATER MARKET

On the orders of the day:

Mr. Ian Watson (Laprairie): Mr. Speaker, I have a question for the minister of consumer affairs. In the light of the projected closing of the Atwater farmers' market in Montreal, would the minister undertake to consult the Minister of Agriculture to determine the feasibility of joint consumer affairs-Department of Agriculture action to encourage farmers' markets in suburban and urban areas of Canada?

Mr. Speaker: Order. The hon. member has made a representation which I assume has been noted.

Inquiries of the Ministry

INDIAN AFFAIRS

PAYMENT FOR MEDICAL TREATMENT

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to direct my question to the Minister of National Health and Welfare. In view of the fact that medical doctors have been receiving from the federal government only approximately 50 per cent of their scheduled fees for providing medical services to the Indian people, can the minister assure the house that he will clarify this aspect of the government's policy when he makes his statement early next week?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a supplementary question. I should like to ask the minister of health and welfare whether drugs are being dispensed on Indian reservations by unqualified persons, and whether this has been brought about by the government's economy drive. If so, how does it square with the just society?

CONSUMER AFFAIRS

INQUIRY AS TO ESTABLISHMENT OF STANDING COMMITTEE

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, about 10 days ago I asked the Minister of Consumer and Corporate Affairs whether he would consider the establishment of a standing committee for his department. I wonder whether he is in a position to say whether or not a decision has been made, and, if so, what it is?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the answer is that I am still considering it.

REQUEST FOR MEMBERSHIP OF COUNCIL

On the orders of the day:

Mr. Robert C. Coates (Cumberland-Colchester North): My question is directed to the Minister of Consumer and Corporate Affairs. Now that the minister has announced by way of a press release that the federal-provincial conference on consumer affairs is to be held in Ottawa, beginning on October 28, will he tell the house whether the government has made up its mind as to the membership of the consumer council.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): No, Mr. Speaker.

[Mr. Speaker.]

[*Translation*]

POST OFFICE DEPARTMENT

POSSIBILITY OF ESTABLISHING CROWN CORPORATION

On the orders of the day:

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to direct a question to the hon. Postmaster General.

Has he appointed a task force to study the possible conversion of the Post Office Department into a crown corporation? If so, will a report be tabled before the passage of the next post office legislation as announced in the Speech from the Throne?

Hon. Eric W. Kierans (Postmaster General): The answer, Mr. Speaker, is no. Such a report will not be filed before a year. Besides, it has no relation whatsoever with the bill, except that both will contribute to making the Post Office Department more efficient and more modern than ever.

[*English*]

BROADCASTING

MONOPOLY CONTROL OF MEDIA

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State. It is in connection with order in council 1968-1809 and the press release issued yesterday regarding radio and television broadcasting facilities in Canada.

In the course of that statement, Mr. Speaker, the minister said that this is the first step to implementing the broadcasting ownership program. I ask the minister whether it is a fact that the next steps that the government has in mind and is giving consideration to are those dealing with monopoly control of broadcasting and newspapers in certain regions of Canada, the investigation and inquiry into interlocking control of media facilities, and the consequences arising therefrom?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, in fact it is one of the questions under study, together with the regulations which will govern community antennas.

[*English*]

Mr. Diefenbaker: Would the minister give the house, in a short moment or so, some idea what the government has in mind in this regard, over and above the assurance that

Canadian artistic standards shall be maintained by controlling the percentage of foreign ownership of these media?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I do not think that there is any connection between those two questions.

[*English*]

Mr. Speaker: Order. I suggest that the type of information now sought by the right hon. member should be given by way of a statement on motions.

IMMIGRATION

FACILITIES TO PROVIDE ASSISTANCE IN EDUCATION

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I should like to direct my question to the Minister of Manpower and Immigration. In view of his predecessor's refusal to provide teaching facilities for both English and French to newly arrived immigrants, and his own assurance that he will take a second look at the problem, can the minister inform the house whether or not the government intends either to finance or to assist in developing services that would provide this teaching to immigrants, and also provide immigrants with a better understanding of their responsibilities in the matter of citizenship?

Mr. Speaker: Order. I think that that information could also be given by the minister in a general statement on motions.

Mr. Thompson (Red Deer): A supplementary question, Mr. Speaker. With reference to your statement, the fact is that immigrants are arriving every day. The other day the minister said he had the answer to my question and he was prepared to give us that answer. Could we now have the answer to my original question?

Hon. A. J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, recently the Leader of the Opposition asked a similar question. He asked whether the policy laid down by my predecessor was to be changed, and I undertook to consider that policy. I have done so since the Leader of the Opposition asked his question. The policy is to remain unchanged.

AIR CANADA

WINNIPEG, MAN.—CONSULTATION WITH UNIONS AS TO SALE OF BASE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. In view of reports that Air Canada is considering the sale of the maintenance base at Winnipeg to a private concern, will the government make an early statement on this proposal, and can the house be told whether the Air Canada unions are being consulted about the matter?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, the suggestion of my hon. friend is merely speculation that is based on the work of the committee set up to study possible future employment at the base for the men who work there. A number of solutions have been and are being studied. It would still be premature at this time to say what will be the final result, but I can assure my hon. friend that I think we are getting closer to a solution. I hope to have a statement to make in the not too distant future.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Would the minister take note of the second part of my question, which was: Are the unions affected being consulted?

Mr. Hellyer: They certainly will be consulted, Mr. Speaker, before any decision is taken and implemented. I think they are pretty well advised as to what discussions have taken place, but they will become directly involved if a particular solution involves continuing arrangements with the employees that they would have to be party to.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): My question is addressed to the Prime Minister, Mr. Speaker. Now that revised estimates have been tabled could he, since the Minister of Finance is unavoidably absent, give the house a closer approximation of the date when the budget is to be presented?

Right Hon. P.-E. Trudeau (Prime Minister): No, Mr. Speaker. That is in the hands of the Minister of Finance.

Inquiries of the Ministry

PENITENTIARIES

REQUEST FOR RE-ESTABLISHMENT OF JOINT COMMITTEE

On the orders of the day:

Mr. Harold Winch (Vancouver East): My question is addressed to the Solicitor General, Mr. Speaker. Since a special joint committee of the Senate and House of Commons on penitentiary matters has for two years been unable to complete its studies, will the minister advise the house if he will give favourable consideration to the early re-establishment of this committee?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I should be glad to take that suggestion under consideration.

HOUSING

TASK FORCE—ALLEGED IRRESPONSIBLE OBSERVATIONS

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): My question is directed to the Minister of Transport, Mr. Speaker. It is based on a Toronto *Star* report on the Charlottetown meetings of the task force on housing, the authenticity of which I have checked. My question has particular reference to statements by two members of the task force in which there is the implication that Prince Edward Island is a hopeless economic case. I particularly refer to the statement by Mr. Campeau of Ottawa to this effect: Why should we, in the rest of Canada, pay so much to keep people in Prince Edward Island?

Will the minister advise the house if such irresponsible and insulting remarks by people sent about the country at public expense are considered helpful to the solution of our housing crisis, and whether by reading to them the riot act and the terms of reference under which the task force was set up we might be able to prevent other gratuitous and offensive lectures, thus bringing about concentration on our grave housing problems.

Some hon. Members: Hear, hear.

An hon. Member: Give it to them, Heath.

Mr. Speaker: Order, please. The hon. member has made a suggestion. I assume it will be considered by the minister.

[Mr. Trudeau.]

[*Translation*]

OFFICIAL LANGUAGES

CONSULTATION WITH QUEBEC IN PREPARATION OF MEASURE

Mr. René Matte (Champlain): Mr. Speaker, I wish to address a question to the right hon. Prime Minister.

Could he tell us whether the federal government has had consultations with the Quebec government regarding the drafting of a bill on the status of French and English as official languages in Canada?

Right Hon. P.-E. Trudeau (Prime Minister): The only part of the bill which could be directly or indirectly of interest to the province, would be the part dealing with the definition of bilingual areas, and this is the reason why we have decided that after the bill has been read for the first time, we shall send a copy thereof to all the provinces. There were no formal consultations, but of course information was exchanged at the level of officials.

[*English*]

NATIONAL DEFENCE

NORAD—OPPORTUNITY TO DISCUSS RENEWAL OF AGREEMENT

On the orders of the day:

Hon. J. A. MacLean (Malpeque): I wish to direct a question to the Secretary of State for External Affairs, Mr. Speaker. Considering the reply he made on September 17 to the effect that the government has no objection if the house wishes the Prime Minister or the minister to make a statement with regard to the renewal of the NORAD agreement, will the minister undertake to make such a statement within the next few days?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker.

EXTERNAL AFFAIRS

CZECHOSLOVAKIA—ORAL COMMUNICATIONS WITH U.S.S.R.

On the orders of the day:

Hon. Mitchell Sharp (Secretary of State for External Affairs): May I take this opportunity to answer two questions which were put to me recently. The first question was by the hon. member for Selkirk (Mr. Schreyer) who asked whether I would table or otherwise make public the contents of notes received by

Canada, as a member state of NATO, from the U.S.S.R. subsequent to the invasion of Czechoslovakia. I said on September 24 that I was not sure whether a note had been sent or whether there had been oral communications. I have now confirmed, as I indicated then, that the two communications made to the Government of Canada by the Soviet ambassador were made orally and not in writing.

CZECHOSLOVAKIA—ASSISTANCE TO CANADIAN NATIONALS FOLLOWING RUSSIAN MILITARY ACTION

On the orders of the day:

Hon. Mitchell Sharp (Secretary of State for External Affairs): The hon. member for Kootenay West asked me some days ago if we had received any requests for assistance by Canadian nationals who were visiting Czechoslovakia at the time of the recent invasion and, if so, had all these requests for assistance been processed. Our records disclose no instances of unfulfilled requests for assistance by Canadians who were visiting Czechoslovakia at the time of the crisis.

BIAFRA—ASSISTANCE TO STUDENTS IN CANADA

On the orders of the day:

Mr. Warren Allmand (Notre-Dame-de-Grâce): I have a question to direct to the Secretary of State for External Affairs regarding Biafra. Since there are in Canada Biafran students who risk losing their scholarships, and other Biafrans under the auspices of the Nigerian government who are afraid to return to Biafra, will the minister state whether his department is considering assisting those students to remain here and continue their studies. Also, will such persons be given special consideration in obtaining immigration visas to Canada?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have been aware of these cases now for a number of days and the entire matter is under consideration. It is very complicated. Some of these students are sponsored by the Nigerian government and they have been notified that their scholarships are withdrawn. Others are financed directly from Biafra; they have lost their source of income. Still others find that their passports have expired. They do not know whether they will be able to get back to Nigeria. It is all most complicated and we are looking at the matter sympathetically.

Inquiries of the Ministry

VIET NAM—POSITION RESPECTING BOMBING BY U.S.

On the orders of the day:

Mr. J. Edward Broadbent (Oshawa-Whitby): I have a question for the Secretary of State for External Affairs, Mr. Speaker. Does the statement made by the minister in this house on Monday, September 23, on the question of the United States cessation of bombing in Viet Nam mean that the government has changed its position from that taken one year ago today when the then Secretary of State for External Affairs asserted that—

Mr. Speaker: Order, please. The hon. member's question as asked is argumentative and cannot be accepted.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Minister of Energy, Mines and Resources. In the light of stories that are circulating, can the minister advise the house whether the intense neutron generator project is to be cancelled in order to pay for the furnishing of the minister's departmental offices?

Some hon. Members: Oh, oh.

Mr. Greene: Mr. Speaker—

Some hon. Members: Oh, oh.

An hon. Member: Order, Joe.

Another hon. Member: A supplementary—

Mr. Speaker: Order, please. The question was not allowed and therefore there ought to be no supplementary question.

An hon. Member: Very luxurious, Joe.

BUSINESS OF THE HOUSE

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Mr. Speaker, since, because of yesterday's circumstances, the President of the Privy Council did not have his chance of leading us into the promised land, I wonder if we could inaugurate the new rules today. Could I ask the minister what will be the order of business to be placed before this house. What are his intentions or the intentions of the government with regard to business for the coming week.

Inquiries of the Ministry

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, with the indulgence of the house may I refer to the business to be conducted between now and Friday, October 4, inclusive. As hon. members know, we shall begin by calling the motion for interim supply. When that has been dealt with we shall continue with the debate on the motion to set up a committee on statutory instruments. When that has been disposed of we shall then call the three resolutions with respect to farm financing, that is to say, with respect to the Farm Credit Act, the Farm Machinery Syndicates Credit Act, and the Farm Improvement Loans Act. It would be desirable, Mr. Speaker, that at such time as the bill announced by Your Honour this morning as coming forward from the other place could be dealt with under the rules, debate be interrupted to deal with the bill to amend the Publication of Statutes Act so that parliament may declare itself on the form in which statutes are to be published before other measures receive royal assent.

Subject to our dealing with the Publication of Statutes Act we would continue, after the farm financing resolutions, to consider the resolution preceding the bill to authorize the Windfall extension of Canadian National Railways, the time for and the various stages of which may possibly be abridged after consultation, in view of its non-controversial nature. We would then proceed to the resolution dealing with the Prairie Grain Advance Payments Act, and then that dealing with amendments to the Post Office Act. We would then move on to the second reading stage of the farm financing bills, assuming that the Windfall amendment has been dealt with, and to the second reading stage of the Prairie Grain Advance Payments Act, as well as second reading of the amendments to the Post Office Act. The timing of all this is, of course, subject to the difficulty of predicting the length of debate on each measure, as well as unforeseen events which may take place.

Mr. Baldwin: Having in mind the controversial and difficult nature of the omnibus Criminal Code legislation and the fact that it deals with five specific areas, involving a number of substantive changes in the law in addition to procedural changes, would the minister consider discussing with his colleague, the Minister of Justice, the fixing of an early date for at least the introduction of this measure into the house so that the government might have the benefit of the advice of members of the opposition as to the best way of dealing with this bill on second reading? The government seems to be irresolute, now, and might benefit from advice from this side of the house.

[Mr. Baldwin.]

Mr. Macdonald (Rosedale): I will be pleased to discuss this aspect with my colleague, and I appreciate the suggestion.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask a supplementary question with regard to a point which might be considered in connection with Monday. In view of the fact that arrangements are being made for a number of members of parliament to attend the funeral of the late premier of Quebec, could there be an understanding that Mr. Speaker might have authority to delay the start of Monday afternoon's sitting until those of us who attend the funeral are able to return? Then, if necessary, we could sit straight through the rest of the day.

Mr. Macdonald (Rosedale): It seems appropriate that the house should meet at 2.30, but adjourn until later that day when the hon. members referred to by the hon. member for Winnipeg North Centre will have returned.

Mr. Speaker: Is that agreeable?

Some hon. Members: Agreed.

CAPE BRETON DEVELOPMENT CORPORATION

REQUEST FOR STATEMENT OF FUTURE PLANS

On the orders of the day:

Mr. Donald MacInnis (Cape Breton-East Richmond): My question is directed to the Prime Minister. As 15 days have passed since the opening of parliament, is the government now in a position to give a report to the house on the development and future plans of Devco?

Right Hon. P.-E. Trudeau (Prime Minister): I would have to ask the Minister of Energy, Mines and Resources to consider that question.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I did not hear the question. Would the hon. gentleman repeat it?

Mr. MacInnis (Cape Breton-East Richmond): Perhaps I had better wait until the Minister of Justice gives the minister his instructions. Since 15 days have passed since the opening of parliament, is the government in a position to give a report on the development and future plans of Devco?

Mr. Greene: Not at the present time, Mr. Speaker.

Some hon. Members: Oh, oh.

Mr. MacInnis (Cape Breton-East Richmond): I am sure the Prime Minister will accept this supplementary question. Inasmuch as the legislation passed to set up this crown corporation requires the government to make a report to parliament within 15 days of the opening of a session, or of parliament, and since this period has now expired, should not the Prime Minister, the Minister of Energy, Mines and Resources, the Minister of Industry, Trade and Commerce, or somebody on that side know at least what Devco is, and ought not the government to be in a position to make the report which the legislation says is required on the fifteenth day?

Mr. Trudeau: I will ask about this. I will even ask the Solicitor General to help us find out something about it.

Mr. MacInnis (Cape Breton-East Richmond): I realized when I asked my question that a ruling had been made to the effect that members are not permitted to direct questions to ministers of the crown on matters outside the scope of their departments. The government is trying to get away from that ruling. Nevertheless the ruling has been made. Possibly the Minister of Labour could take it upon himself to instruct his colleagues with regard to this development corporation.

Some hon. Members: Manpower.

FISHERIES

STATEMENT BY MINISTER AS TO PRODUCTIVITY REPORT

On the orders of the day:

Hon. Jack Davis (Minister of Fisheries): On September 20, the hon. member for Gander-Twillingate inquired when the Winspear productivity report was expected and whether it would be tabled in the house. This study of productivity in the frozen fish sector of the fishing industry of Newfoundland, financed jointly by the federal and provincial governments, is proceeding in two phases. A report on the first phase, a preliminary survey of the situation, has already been received by the two governments and distributed to the industry.

The final report is expected by the end of October. As to its tabling in the house, that will be conditional on the obtaining of permission from various firms whose operations will be dealt with in the report.

Inquiries of the Ministry

ARTS, LETTERS AND SCIENCES

CANADIAN FOLK ARTS—TRANSPORTATION COSTS TO MEXICO

On the orders of the day:

Mr. Lincoln M. Alexander (Hamilton West): I should like to direct a question to the President of the Treasury Board. Is the minister prepared to reconsider his decision denying a federal grant of $7,000 to the Canadian Folk Arts Council to help defray transportation costs to Mexico, in view of the embarrassment and frustration presently being experienced by the council?

Hon. C. M. Drury (President of the Treasury Board): A number of representations have been received on this subject from hon. members on this side of the house. I have undertaken to consult with my colleague the Secretary of State regarding this matter.

Mr. Alexander: Can the minister give the house some indication of the date upon which an announcement may be forthcoming? There is, of course, urgency attached to this matter.

Mr. Drury: I think an answer has already been forthcoming. What the hon. member is asking for is a favourable answer, or a change of decision. I cannot give an undertaking with respect to that, except to reply as rapidly as I can.

Mr. Alexander: Is the minister aware that a denial may mean that Canada would be unrepresented at the world folklore festival held in Mexico city, in conjunction with the Olympics?

Mr. Drury: I am aware of the difficulties of the situation, Mr. Speaker.

SUPPLY

The house in committee of supply, Mr. Faulkner in the chair.

INTERIM SUPPLY

Mr. Drury (for Mr. Benson) moved:

Resolved, that a sum not exceeding $3,776,197,303.75 being the aggregate of—

(a) nine-twelfths of the total of all the items set forth in the revised main estimates, 1968-69, for the fiscal year ending the 31st of March, 1969, laid before the House of Commons at the present session of parliament, $4,852,052,274.75;

(b) an additional two-twelfths of Energy, Mines and Resources item 60, Finance item 30, Legislation item 15, Public Works items 25 and 30, Secretary of State item 2, Transport items 15, 25 and 90, Treasury Board item 25, Loans, Investments and Advances items L35 and L125, (Schedule A) of the said revised main estimates, $35,666,416.67;

(c) an additional one-twelfth of Agriculture item 15, Energy, Mines and Resources item 75, Indian Affairs and Northern Development item 34, National Defence items 20 and 50, Privy Council item 15, Regional Development item 25, Secretary of State items 1 and 65, Transport item 5, (Schedule B) of the said revised main estimates, $6,681,409.50;

Less the amounts authorized by Appropriation Act No. 2, 1968, $1,118,202,797.17,

be granted to Her Majesty on account of the fiscal year ending the 31st of March, 1969.

• (12:20 p.m.)

The Chairman: Shall the resolution carry?

Mr. Stanfield: Mr. Chairman, I do not know whether it was the intention of the minister to make any further statement but if it was I would be glad to give way to him.

Mr. Drury: Mr. Chairman, apart from giving the usual assurances that accompany this measure it was not my intention to make any further formal statement.

Mr. Stanfield: Mr. Chairman, it is not my intention to propose any amendment or to withhold the granting of interim supply. Still, in the circumstances there are a number of things I feel impelled to say to the committee.

One must begin with the estimates tabled by the President of the Treasury Board a few days ago, and with the statement that the minister made in tabling them. The revised estimates presented to the house amount to some $10,670 million for the current fiscal year, more than $400 million higher than what we were assured by the government on various occasions would be the maximum. In other words, the estimates now tabled exceed the commitment given by the government by some $400 million.

We must consider the circumstances that prevailed when these assurances were given over a period of time. Last winter the government was in a state of financial and political crisis. One must recall that in the last fiscal year the government was operating at a deficit of some $800 million and that last autumn, almost a year ago, the then minister of finance and the then president of the treasury board, as a result of concern about inflation, began to be concerned about the size of the deficit and began talking about cuts in estimates for the year in which we now find ourselves.

Hon. members who were here in the house at that time will recall the talk of hon. gentlemen opposite about the cutting they were doing to the extent of some $650 million, I think, on estimates not yet presented to the house. Of course this was exposed as the phony claim it was since it was nothing more than the normal process of a government cutting back on estimates presented to it by departments. Nevertheless this was the beginning of a series of assurances given to the house and the country by the then minister of finance and the then president of the treasury board.

Eventually estimates were presented for the present fiscal year, and in accordance with statements made previously by the then minister of finance and the then president of the treasury board the total of these estimates was just under $10,300 million without any provision for medicare or write-off of the Expo deficit. The then minister of finance also proposed certain tax increases, and the budget was discussed on the basis of those estimates and those tax proposals.

In the month of February the roof more or less fell in on the government. A severe financial crisis developed, including a severe drain on the Canadian dollar, and this provoked further assurances from the then minister of finance and the then minister in charge of the treasury board in order to ease the minds of the gnomes of Zurich as well as the Canadian people. Further assurances were given, including a reduction of some $75 million more from the estimates.

Let us have no mistake, Mr. Chairman, as to what the firm commitment of the government was. The firm commitment was a ceiling of $10,225 million on estimates for the current year, although at that time I think the minister of finance of the day still made an exception with regard to medicare and the write-off in connection with Expo. However, as matters developed, further assurances were made during the election campaign, in the course of selling a Canadian bond issue in the amount of some $100 million in the United States. A further assurance was given involving the honour and the good faith of Canada.

In the prospectus filed with the Securities and Exchange Commission, which I referred to this morning in a question to the Prime Minister, a prospectus signed by the Minister of Finance who I am sorry is not in the chamber, it was stated that it was intended to reduce expenditures further to a level of $10,225 million without qualification, even dropping the qualification relating to medicare and the write-off of Expo. This was a firm commitment in the prospectus filed with the S.E.C., which went on to say that this would

bring the budgetary position for the fiscal year 1969 very close to a balance.

When the President of the Treasury Board tabled the revised estimates the other day he tried, rather skilfully, I thought, to give the impression, without saying so, that the government was living up to any commitment it had given because it had made, as it promised to do, a cut of $75 million, indeed, a little more, in the estimates over which it had control. Let there be no mistake, Mr. Chairman. The commitment made by the government was with regard to total estimates without qualification, and the revised estimates tabled in the house the other day by the minister violated that commitment to the extent of more than $400 million.

Last winter the assurances given by the then minister of finance were that the increase in expenditures this fiscal year over last would be held to about 4 per cent. In fact, according to the revised estimates it is about 8 per cent, which is just 100 per cent wrong, Mr. Chairman.

Some hon. Members: Shame.

Mr. Stanfield: Of course there have been suggestions made to the press that the provinces are to blame for this increase in items which the government was unable to control, amounting to over $400 million. It is worth while to take a minute to consider the items that are causing the excess. There is an item of over $67 million for public debt charges, representing the increase in the cost of carrying the public debt over and above what was previously estimated. I suppose the provinces are to blame for that. Then there is an amount of over $28 million for payments under the tax sharing arrangements. I suppose the provinces are to blame for the faulty estimating involved in that.

• (12:30 p.m.)

Mr. Drury: I might point out to the right hon. gentleman that the action by provincial administrations—

Mr. Stanfield: I am not the "right honourable" yet, but if the government continues behaving the way it has been I will not have to wait very long. This estimate is entirely within the control of my hon. friends opposite. I refer to the estimate of what payments will have to be made under the tax sharing arrangements. Provincial behaviour is not involved in this at all.

Another item is an amount of $13 million to cover the carrying costs of the temporary wheat reserve. I suppose this is a result also of the behaviour of the provinces. Then we have $7 million for the unemployment insurance fund, $2½ million for family allowances, $13 million for the Atlantic development fund and $19 million as the contribution to the public service superannuation account. I am not against these at all. The point is that there is absolutely no foundation for the suggestion by officials of this government that the mistake in estimating which was made was due to faulty figures provided by the provinces.

The shared cost programs do enter into the problem of the excess of $400 million. About $230 million is accounted for by the hospital insurance plan, the Canada Assistance Plan and the plan regarding post-secondary education. If we deduct these items there are still items amounting to some $200 million which have nothing to do with the shared cost programs.

Let us take these three items I have mentioned, the hospital insurance plan, the Canada Assistance Plan and the post-secondary education plan. Are we to believe that the officials of the Treasury Board are so incompetent when making estimates to be presented to this house? We must bear in mind the praise that was lavished on the Treasury Board by the previous president of that body. We were told about all the tools they now have for making forecasts. We heard about the computers and the highly sophisticated procedures by which they are now capable of making estimates four or five years in advance.

Mr. Hees: They cannot even make them four or five days in advance.

Mr. Stanfield: We might take as an example the Canada Assistance Plan. The revised estimate in this regard is nearly $47 million higher than the first estimate for the current year. In the first estimates that were tabled the sum of $205 million was provided for the Canada Assistance Plan. Actually an amount of over $35 million more than that was spent in the previous fiscal year. In other words, the Treasury Board presented to this house estimates for the current year for the Canada Assistance Plan $35 million less than the amount actually spent last year. I do not know what one makes of that.

I suppose one might say that these initial estimates were calculated quite a while ago and that since they were probably made up at

this time last year they were reasonable. Suppose we agree to that and say that that is all right but perhaps they were not as careful as they should have been. We might even agree that at the time they were made the estimates regarding the expenditures under the Canada Assistance Plan, assistance to post-secondary education and the hospital insurance plan were not bad but were reasonable.

We must remember, however, that these assurances about the total amount of the estimates for the coming year were not only contained in the estimates which were tabled in the house before Christmas but were repeated in the house in February. Late in February the house was given the repeated assurance that the estimates for the current fiscal year would be held at $10,225 million plus medicare and Expo. Are we to believe that the officials of the Treasury Board, with all their sophisticated paraphernalia and procedures, did not know in February that there was something seriously wrong with the estimates? Certainly by that time the provinces had all made their estimates for the year. They may not have been tabled in the legislatures but they certainly were available to the ministers here.

When the former minister of finance and the former president of the treasury board gave these assurances to this house, to the country and to the world late in February, how much care did they take to check the validity of the assurances they were giving? I do not want to be unfair but I suspect these assurances were given rather loosely to enable the government to take care of the financial and economic crisis in which it was then involved. I believe the intention was to create the impression in Canada and throughout the world that the finances of the government of Canada were well under control. In the light of these estimates which now have been tabled there would seem to be very little that is farther from the truth.

Suppose, however, that the officials of the Treasury Board were sufficiently inefficient—and I find this difficult to believe—as not to realize by the end of February that the estimates which were tabled were seriously out of joint. How then do we justify the assurances that were given by the Minister of Finance and by the government generally during the election campaign and in this solemn prospectus which was filed with the S.E.C. on May 28?

Does the government ask us to believe that on the 28th day of May the Treasury Board officials did not know that the estimates they had presented to the house regarding the shared cost programs were seriously wrong? On May 28 the government of Canada in a prospectus filed by the Minister of Finance solemnly set forth its assurance that expenditures would be held to $10,225 million and that the financial accounts of the country would be in approximate balance.

• (12:40 p.m.)

I would say that if by May 28 the people in the Treasury Board did not know that their estimates in relation to these shared cost programs were seriously wrong they ought to be fired. Certainly the statement in that prospectus, coupled with the facts that have come to light since as a result of the tabling of the revised estimates, constitutes a very serious reflection on the government and the people of Canada. I do not know whether any prosecution is possible, but certainly if a private company made a statement like that and it turned out that there was no foundation for it, there would be a great deal of trouble.

I suggest that the people of the United States as well as Canadians who bought these bonds will be convinced that the government of Canada is either dishonest or stupid.

Mr. Hees: Or both.

Mr. Stanfield: In light of the information we now have, who could believe that on May 28 any minister of this government, who had taken the trouble to make inquiries, would sign that prospectus in good faith? That is only part of the story, Mr. Chairman. There have been bond issues sold since on the basis of the continuing assurance by members of this government that the ceiling on expenditures of $10,225 million would be maintained, and that in this fiscal year the accounts of the government would be close to being balanced. Every security sold by this government in recent months, including those sold in the United States and Canada savings bonds, and there have been hundreds of millions sold, has been sold on the basis of this assurance from responsible ministers of the government. Therefore I must say, although it is a serious thing to say, that the government of Canada in recent months has been selling bonds under false pretenses.

I say in all seriousness that the Minister of Finance, the President of the Treasury Board and the Prime Minister of this country must or ought to have known that the representations which were still in the minds of the people of Canada and others who were buying Canadian securities that the ceiling would

be maintained and the budget would be approximately in balance were wrong. The President of the Treasury Board, the Minister of Finance and the Prime Minister knew that every person buying a bond, be it a Canada savings bond or any other kind sold by the government of Canada in recent months, was doing so on the strength of commitments made by this government that the ceiling would be maintained and the accounts would be in approximate balance. These ministers and the other members of the government knew that was so, and they could not help but know.

This may be a smart trick and a smart way to sell bonds, but it is a reflection on the honour of this country. The assurance that was given last February—it does not need to be described as having been given in bad faith and I do not make that charge—was given with insufficient care and with excessive enthusiasm to get out of a scrape. Assurances were given to the United States on May 28, and I do not know how they could have been made or believed by the Minister of Finance if he made any inquiries at the time. Whatever other criticism I might make of the Minister of Finance, I did not think he was sufficiently lacking in intelligence, if he made any inquiries, to believe that the statements in that prospectus were true. Whatever allowances one can make in respect of what happened last February and May, what allowance can anybody possible make for the behaviour of the government in recent months in selling Canadian securities on the basis of these representations which the government must certainly have known were false?

The Prime Minister's admiration for Machiavelli is well known, but I think he is pushing it a little too far. The people of Canada are proud of Canada's reputation, and whatever else they might have thought of this government or any Canadian government I am sure they would like to believe the government is honest and that it deals with Canadians and the rest of the world in good faith. This government has betrayed the people of Canada. The Prime Minister of this country must accept responsibility for misleading Canadians and the rest of the world by this vital misrepresentation.

Where are we now? This government has smeared the reputation of Canada. We have higher taxes imposed and we are confronted apparently, judging from the statement of the Prime Minister this morning, with a large deficit. We also have serious unemployment, which I perhaps should have put at the top of the list in terms of importance, and we have excessive inflation. We have the makings of a nice mess.

The government has been guilty of serious mismanagement. It has created a high degree of uncertainty, and it is important that we have a budget as soon as possible. We must be concerned now about the reputation of our country and we must be concerned about the outlook in terms of taxation, deficits and inflation. We must also be concerned about the strait-jacket in which the government feels it is confined as a result of the growth of what the government refers to as statutory plans or shared-cost programs. We must be concerned about the government curbing the development of necessary programs for the development of the country.

Let us consider the items that have already been cut by the government to achieve the reduction of $80 million about which it boasts. These cut-backs have been made in respect of items such as manpower training and mobility, airport construction, foreign aid, capital spending on Indian communities, national research scholarships and cultural activities. In other words, Mr. Chairman, in spite of the increase in taxation imposed last winter, which was substantial, and in spite of the very substantial deficit with which we are confronted, programs in very important areas necessary for the development of the country are being cut.

• (12:50 p.m.)

It is not possible for me to say just how serious the outlook is. I cannot tell until we have more information not only about the plans for this year but also about the forecasts for the next fiscal year, which I suggest we should have as soon as possible in order to judge the situation in which we now find ourselves. If we are given any such information we will do our best to believe it.

The government have expressed concern about shared cost programs. They have indicated that a review is under way. I wish them good luck, but I suggest that their procedure is much too limited in scope to have very much effect. You just have to ask yourself, what are the areas of rapid growth and shared cost programs, to see the difficulties. The hospital plan is one. That plan is in effect. I think the government has a considerable amount of difficulty in doing much to slow down the rate of growth and costs. I think the provinces are doing their best to

administer that plan economically and effectively.

Post-secondary education is another. I think we would all agree that it would be a very serious mistake if this program were cut back. It would be a very serious mistake for the future of hundreds of thousands of Canadians and the country as a whole. So far as the Canada Assistance Plan is concerned, I think the approach has to be much broader than apparently the government has in mind. I believe the government has to think in terms of an overhaul of its whole anti-poverty program and should seek a new approach rather than the one suggested, which is just an attempt to place ceilings on the program now in effect.

Then there is the subject of medicare. I say in all sincerity that if the government feels it is necessary to review—and I do not criticize this; I see their problem—the rapidly escalating costs of existing shared cost programs, is not this the time to heed the request of the provinces to confer about the medicare program? Is not this the last chance the government really has to exercise some control over the escalation of the cost of shared cost programs?

I think the provinces sincerely want a medicare program. Most of them have indicated that they do not really like the present one; they are concerned about the effect it has on their other priorities. The government of Canada seems to be seriously concerned about the strait-jacket in which existing shared cost programs are placing them. If the government considers this to be the time to review existing shared cost programs, is this not all the more reason to meet the provinces and talk seriously about the medicare program? This may be the last chance the government has to keep this country out of a serious strait-jacket.

There were a good many other things that I wanted to say. The difficulty in which the Leader of the Opposition now finds himself is that there are so many things to be said against the government, and I do not wish to trespass too much upon the good nature of the house. But I will say that this parliament is only two weeks old, the government has been in office for about five months, and there is still time to change. There is still time for the government to pull itself together and begin to deal frankly and responsibly with parliament and the country.

Mr. Crouse: And honestly.

[Mr. Stanfield.]

Mr. Stanfield: I have spent some time this morning developing one aspect of this matter, the lack of frankness of the government and the secrecy running through the whole fabric of the government. There is still time to break out of the financial strait-jacket in which the government believes it is. There is still time for the Prime Minister to call a halt here and now to the uncertainty and confusion growing about the policies of the government and their sense of commitment.

What is the impression given by the government? As I indicated this morning, they are certainly not committed to frankness. They seem to be committed neither to the monarchy nor to republicanism, neither to the parliamentary nor the congressional system of government. They seem to be fully committed neither to collective security nor to withdrawal from NATO. Certainly the government is not committed to compassion either at home or abroad. It has abandoned the anti-poverty program, and we express serious concern about the government's lack of concern with regard to Biafra.

The government has no commitment to excellence in Canada. It has cut down on science programs, on research and even on the arts. There is uncertainty in the country about the government's determination to play a part in western defence. There is uncertainty on the part of Canadians about whether we can expect the government to translate into action what we have always thought were Canada's ideals of compassion as well as justice for people. There is uncertainty in the scientific community and universities about whether the government takes seriously the need for scientific development in Canada. There is uncertainty about what has taken place in the discussions regarding the constitution.

There is a growing feeling in Canada that the government has no real sense of commitment. This being the case, let this chamber demonstrate that we have a sense of commitment. Let us encourage the government to courageously break out of its financial morass. Let the committees on external affairs and national defence draw up a program that could provide some relief, even at this late hour, to Biafra. Let the committee make its own assessment of Canada's role in NATO. Let the appropriate committee give the government a sense of priority so they may establish priorities in these fields. Let us have a committee study the constitution. Let us involve members of this house in the vital

work of achieving a national consensus. That is what we are here for. Let the government appoint a committee of this house, or of the Senate and House of Commons, to study the question of poverty.

Before this house met the Prime Minister promised the country that this would be a jumping place. It looks like a jumping-off place for the government. But let us make it a jumping place. If there is no sense of commitment on the part of the government, let those of us in the opposition, those on the back benches on this side of the house, demonstrate that parliament and its members do have a sense of commitment, a sense of conviction and a sense of compassion.

Mr. Knowles (Winnipeg North Centre): One o'clock.

Mr. Stanfield: Let this chamber make up, as best it can, for the deficiencies of the present government.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, it is not my intention to follow the arguments put forward this morning by the Leader of the Opposition, but I am sure we shall all await with interest a possible reply from the government to the points that he made. However, I do wish that when Liberals and Conservatives discuss this question of government expenditure they would look at it in terms other than just amounts of money and whether these amounts are higher or lower than were predicted. It seems to us that what really counts when you are dealing with government expenditures is the way those expenditures are made and the way in which taxes are levied for the collection of the necessary revenue.

We are concerned, of course, about economy. We do not wish to see unnecessary expenditure and we think waste should be squeezed out. However, our main concern about government expenditures is that they be directed toward making life secure and just for the people of this country. We think that is the purpose of government programs, that money spent on them, unlike much of the money that is spent in the private sector, is an investment in people. We want to see a further development of government programs which make it possible for people to have decent incomes, decent homes, adequate education and social security. We are not fazed by statements such as the Prime Minister made this morning when he suggested that the opposition asks for lower expenditures and at the same time for more programs. We think it is the business of the government to set up programs for the good of the people of the country, and we recognize that they have to be paid for.

The other side of the coin, as I have already suggested, is the manner in which government revenues are collected. We think that collection should be on as fair a basis as possible, that taxes, fundamentally, should be levied on the basis of ability to pay. There are details in the Carter report with which we may not agree, but in the main we regard it as an excellent document advancing the idea that taxes can be collected according to ability to pay, and also advancing the proposition that wealth should not escape taxation to the extent that is the case in this country. As I say, we get a little tired of these altercations back and forth between the government and the official opposition over the amount that the budget or the estimates may reach. What is important to us is the things on which the money is spent and the fairness of the taxation methods by which it is collected. We find both of the major parties deficient on both these counts.

I do not intend to elaborate any further on that aspect of the matter, but there is one other general comment I would like to make and then there are a couple of details to which I wish to refer. I may say that one or two of my colleagues also have some matters of detail about which they will be speaking later this afternoon.

The general comment I wish to make—and I am glad for this purpose to have the ear of my friend, the President of the Privy Council—is that I think the exercise in which we are engaged today demonstrates once again how urgent it is for us to review the methods by which we vote supply. Today we are being asked for roughly nine-twelfths of the year's estimates. The resolution is set up in such a way that it takes cognizance of the interim supply which was voted in the old parliament last March. It also takes cognizance of the fact that the government lived on Governor General's warrants for several months during the period of the election and thereafter. But the fact is that this motion not only covers all those months of expenditures which were not discussed in detail but goes on to provide supply for October, November and December.

In other words, when this debate is over and we have passed the interim supply bill we will have approved nine-twelfths or 75 per cent of the year's expenditures without—and I say this quite frankly—any discussion in detail of the expenditures themselves.

• (2:40 p.m.)

We had the opportunity of making speeches on interim supply last March and we have the opportunity of making speeches today on matters of policy or on issues about which we are concerned. But if we keep this up for the whole 19 days that we have allotted ourselves for discussion of the 1968-69 estimates and supply at this session, we still will not get around to an examination, in any kind of detail, of the estimates that are before us.

I have been here for quite a few years now, Mr. Chairman, and cannot remember a session when we really did this kind of job and went into the details of the expenditures to ascertain whether or not they were correct, whether or not they were valid, whether or not they should be cut down or increased. We just do not use our supply days for that purpose. We use the days and we use the items as pegs for making speeches about matters that we think are important.

I do not deprecate what we are doing, Mr. Chairman. I do not downgrade it at all. I think it is important. It is an opportunity to get up on the floor of the house and deal with issues that we think are alive and current. However, in the process of doing this the job of critically examining the estimates just is not done by the House of Commons. It has been done in advance by Treasury Board. In a year or two from now it will be done by the public accounts committee after the Auditor General has made his report.

Mr. Baldwin: If the government ever sets up the committee.

Mr. Knowles (Winnipeg North Centre): That is a good point too.

Mr. Macdonald (Rosedale): We want you as the chairman.

Mr. Knowles (Winnipeg North Centre): What I say now is not by way of castigating anybody. I am not assessing the blame. But unless there is some new machinery of a sort we have not had during the quarter of a century that I have been connected with this house. I do not see estimates being adequately discussed on the floor of the House of Commons. We have too much to do.

[Mr. Knowles (Winnipeg North Centre).]

Even if we were to spend a whole year examining the billions of dollars of estimates, Mr. Chairman, we still would not do the job. The officials are not here for questioning, and the ministers are not as bright about these things as we might wish them to be. Perhaps they are not as bright—period. Surely the case becomes stronger every year for a reference of the estimates to committees that have the time and the research assistants to enable them to do the job properly. Otherwise, Mr. Chairman, we might as well give up the notion that in parliament we have any control over the pursestrings. The only control that is really exercised is by Treasury Board; and this morning the Leader of the Opposition wanted to fire the staff of Treasury Board. Then where would we be?

Therefore I plead that we take this matter pretty seriously. Someone may throw this back to me and tell me that I am one of those likely to be on the committee on procedure and that is the place for us to consider this problem. But, Mr. Chairman, we need the backing and the desire of the house for new machinery to do the job, a job that certainly has not been done for a great many years.

Total government expenditures for the year 1968-69 as at last report—they may go up again before the year ends—are in the order of $10,670 million, of which $5,780 million require to be voted. The rest of the money is provided by statute. By the time we get through with the exercise in which we are engaged today and include the interim supply that we voted last March, we will have voted $4,894 million out of that $5,784 million that is before us for this fiscal year without discussing any of the details at all.

In terms of examining the estimates, Mr. Chairman, this exercise is nothing but a farce. I do not say that debating interim supply is a farce. I think that having supply days when we raise issues such as that which the Leader of the Opposition felt he had to raise this morning and that other hon. members will raise this afternoon is all to the good. We are making good use of our time and I defend it. But the job that we talk about doing, examining the estimates, is just not being done by members of parliament anywhere at any time. I hope that the exercise we are going through today, will demonstrate the importance of the job that the procedure committee has to do, namely, to bring back some suggestions as to the ways and means of handling supply.

I said, Mr. Chairman, that while I was on my feet there were a couple of detailed matters to which I wanted to make reference. They are items that came up this morning. I am sorry that the ministers concerned do not happen to be here at the moment, but they may wander in. Maybe this is not the day that they do not have to be here.

This morning I asked the Minister of Transport about the Air Canada overhaul and maintenance base at Winnipeg. In particular I asked him whether there was anything to reports that Air Canada is considering selling that base to a private firm, one of several being mentioned in press reports. I also asked him whether this matter was under consultation with the unions of the employees who work for Air Canada at Winnipeg.

I must say that I was not at all satisfied with his answer. The minister's answer confirms that something is in the wind. He said that the report was speculative, but it looked like pretty solid speculation by the time he got through his answer. I had to press him a second time to answer the question whether or not the unions concerned are being consulted, and in effect he said that they know what is going on and that he will bring them into the picture just before the last documents are signed.

This is not good enough, Mr. Chairman. This is not participatory democracy. This is not involvement—and you remember that word, Mr. Chairman. The Prime Minister did not make many speeches during the last election campaign and the ones that he did make were pretty short. But the word "involvement" got into every one of them. This is what this great new political force was up to—getting the people of Canada involved in the running of their affairs. One of the affairs that affects people most of all is their work.

We suggest, Mr. Chairman, that if democracy means anything and if involvement means anything, the employees who work for Air Canada at Winnipeg should have some say if changes are being contemplated which put them into a position where they either have to pull up stakes and leave Winnipeg, as so many others have had to do, or transfer their employment from a crown corporation for which they have been glad to work to a private corporation for which they may not be so pleased to work. I urge the Minister of Transport not to think that he can satisfy us by saying that the unions will be told just before the ink is dry on the final signatures. They should be in the picture now in terms of the involvement which the Prime Minister said would be the key to public affairs in this country.

The other subject that came up again this morning, Mr. Chairman, is one which has been raised quite often. It arose this morning in a question from a friend of mine to my left who asked what the government is doing about the pensions of retired civil servants. I am sorry that the Minister of Finance is not here; we knew all week that he would be away, of course. However, I remind the Minister of Finance that during the time he was president of the treasury board he repeatedly declared his personal support for doing something in this regard. He knows the statements he made to some of us personally. He gave us the impression that it was only because the then minister of finance, now Secretary of State for External Affairs, did not agree that nothing could be done. Well, Mr. Chairman, the then president of the treasury board is now Minister of Finance and in a position to carry through with the things in which he said he believed.

I remind the government and this house that a report was tabled on May 8, 1967, which unanimously recommended that these pensions be increased. We all know that the amount of money in the public service superannuation fund is growing every year. There is more in the fund at the end of each year than at the start, despite the fact that pensions are paid out of it. I contend that the retired employees of this government are justified in claiming the right as well as the need for an increase in their pensions.

• (2:50 p.m.)

I am not going to be put off on this matter by the cavalier answers of the Minister of Finance or the retort the Prime Minister made this morning when he said, in replying to my friend's question, "See, this is the opposition. They ask for the cutting of expenditures and then right away they want more money to be spent."

As I said at the beginning of my remarks, the whole question when dealing with expenditure is not the amount being spent, not whether it is too high or too low or whether it is higher or lower than last year's amount. The question is, is the money being spent wisely? Is it being spent fairly and in the interests of the people? We should continue asking that that be done.

The only other comment I wish to make about finances is that I am alarmed about the

many references being made to federal-provincial conferences on shared cost programs. We are hearing such references from the Prime Minister, the President of the Treasury Board and the Minister of National Health and Welfare. Most shared cost programs directly or indirectly assist people. They provide funds, allowances, services, loans, work, or what have you, and when this government starts talking about reassessing those programs as a means of curtailing expenses it sounds to me as if it is planning a program of retrenchment so far as meeting the needs of the people of this country is concerned. That is not good enough.

I say to the government, listen all you want to the Leader of the Opposition and his claim that you must squeeze out waste and budget and estimate better than you have been doing, but do not think you are doing a public service when you plan the budget to save money if you save it at the expense of programs which aid the people of this country. So far this government has not demonstrated to us that it has any kind of new look or that it is trying to bring about the just society through the involvement of our people in the affluence of our times. Surely that is the important aspect of any monetary or fiscal program, and this ought to be our concern when we are dealing with the estimates of this government.

[*Translation*]

Mr. Gauthier: Mr. Chairman, I shall be brief, all the more so because the Liberal whip has asked his members not to prolong their remarks unduly.

I wish to take this opportunity to thank the new Minister of Finance (Mr. Benson) and make a couple of suggestions to him during the debate on interim supply.

Mr. Chairman, on September 9, we received a news release from the Minister of Finance which read as follows:

> The Honourable E. J. Benson, Minister of Finance, today released the details of final revenue and expenditure figures for the fiscal year 1967-68 and and of the Government's assets and liabilities and net debt position as at March 31, 1968.
>
> Revenues for the fiscal year as finally determined were $9,077 million, or $22 million more than the preliminary figure of $9,055 million published in the *Canada Gazette* of May 25, 1968. Expenditures were $9,869 million or $6 million more than the preliminary figure of $9,863 million. The budget deficit amounted to $792 million, as compared with the preliminary deficit of $808 million.
>
> At March 31, 1968, the gross liabilities of the Government amounted to $32,926 million, of which $20,580 million consisted of unmatured bonds and treasury bills. Net recorded assets totalled $16,169 million and the net debt of Canada amounted to $16,757 million.
>
> On a national accounts basis, it is now estimated that federal government transactions recorded a deficit of $423 million in 1967-68. The national accounts are a comprehensive measure which reflects the overall economic effect of government financial operations. On this basis, total revenues for the year are estimated at $10,881 million and expenditures at $11,304 million.

Today, the new minister comes to us with a certainly more realistic budget, because half the fiscal year is almost over. We have six months more to go, and a deficit of approximately $368 million is expected.

The *Journal de Montréal* on September 26, 1968 carried the following comments:

> The estimates reflect a considerable increase in the payments made by Ottawa to the provinces. The total amounts to $10.670 billion for the coming fiscal year whereas in the preliminary estimates they amounted to less than $10.3 billion.

As the needs of the provinces are constantly growing, and due to the fact that the federal government always gets the lion's share of taxes, it is quite normal that it should be called upon, from year to year, to increase its payment to the provinces. We find that quite normal, with regard to the payments to the provinces.

It is also stated that part of that increase is due to election expenditures. Indeed, the cost of the elections, which amounted to almost $14 million, certainly did not contribute to reducing the expenditures of Canada.

• (3:00 p.m.)

During the election campaign, probably after that heat which often dries up the budgets a little, we were told that the estimates would be kept down, even though we were sure beforehand that they would not be. That is why the candidates kept saying that some expenditures would be cut and the budget balanced, which gave the people the impression that the estimates would be kept down. That is exactly the kind of talk heard during the election campaign, and I said that it was impossible for a government to keep the budget down without cutting expenditures. Some unnecessary expenditures can be cut, of course, but it is impossible to cut those which are necessary, those which force the government to be fair with all the provinces in all areas.

This increase is also imputed to a rise in the amounts paid for studies, for continuative education. At this point, Mr. Chairman, I want to call the attention of the department

to these amounts which will reach close to $275 million this year. It should control those expenditures more carefully. The objective is very good but we often notice in our areas, and it is probably the same everywhere else, that the management of these courses could cost less and be better adapted to each area.

The cost of medicare and hospital insurance will also increase. All these increases seems reasonable to me, Mr. Chairman, and there is no need to give very careful consideration to these expenditures to see that they are for the good of the people.

But the main question we ask ourselves with regard to these increases, is whether the government really looks for money where it is to be found. That is an important question for the members of the Ralliement Créditiste, because, in our opinion, so long as the financial system endorsed by the two old parties exists, we will keep on taking money from the little man, on the principle that if you want to get a dollar you have to ask for five. That, Mr. Chairman, is the principle we must get rid of. Discussions in the committee on finance, trade and economic affairs will have to deal with better ways of using our financial ressources, since we say that Canada is very rich, to serve the Canadian people and our society, instead of trying all the time to protect financiers and large companies, always at the expense of the worker.

According to the table showing the revenues, I note that personal income tax is still the best source of revenue.

I would like today, without being too naughty, to call the attention of the minister to the advisability of considering further the revenues of the country and forget a while the citizens' incomes.

I have often heard it said: Try to tax proportionally the rich and the poor, or to say it differently, be fair. We note there are so many exemptions granted to the higher levels that we are not at all surprised today, when living among the people and meeting the workers all year long, to hear recriminations and even a rebellious rumbling among the people who realize that they are taxed 150 per cent, while those who should be taxed enjoy the favours of the house and the Minister of Finance.

I believe this is the main point. It is the reason why I was asking earlier: Where shall we take the money in order to administer a budget? To this let us add at once: without discrimination—and when I say "without discrimination", I mean by that it is discriminatory not to raise the maximum non-taxable income to $5,000 for a married man and to $3,000 for an unmarried man.

This, Mr. Chairman, is what I call social discrimination and we obviously shall have to eliminate it in 1968 or in 1969. Today, I appeal to the Minister of Finance, because he knows that there are some big magnates, some large companies, some large trusts, which do not pay any or hardly any income tax, while on the other hand the poor man with a family to support has to pay taxes on his meagre income which allows him the bare necessities of life.

I do not object to taxing luxuries, but when we have reached the point where, in a Canada that is said to be the second richest country in the world, we are taxing essential items, I must say that there is something wrong with our financial system. I wish today to put the finger on that flaw in the system for the benefit of the Minister of Finance, and I ask him simply—I do not want to talk much longer, this is why I took the floor, so that I may draw his attention to this point—if he wants to make both ends meet to go and get the money where it is and not where it is not, that is, in the workman's pockets.

[*English*]

Mr. Mongrain: Mr. Chairman, I wish to be brief. I wish to say at the outset that I have no special mandate to speak in the name of the government; there are many ministers who will do that. But as a member of the government party I find it very hard to be one of the targets of this machinegunning without fighting back to a certain extent.

• (3:10 p.m.)

[*Translation*]

Now, I have listened to the remarks made by the hon. members of Her Majesty's loyal opposition. When I hear the hon. member for Prince Albert (Mr. Diefenbaker) speak of the opposition, I draw my own conclusions. There must be a loyal opposition, another less loyal and then another disloyal. Since nobody ever makes any distinction when speaking of Her Majesty's loyal opposition, I am compelled to do so.

I have listened to the remarks made by the Leader of Her Majesty's Loyal Opposition (Mr. Stanfield) and I must say that he has performed a surgical operation without any anaesthetics. He has not even thought about giving the government any anaesthetics

before operating and he was somewhat cruel in his operation. I am not saying that he was not a little bit right. I say that he has contributed here serious arguments which offhand, seem firm until, of course, we hear the responsible minister's reply. I believe he made an important statement. It was based on facts and figures. He acted as a statesman should, without guile or meanness. This must be acknowledged. I would not go so far as saying that he was any more right than the others.

The speaker for the New Democratic party, a while ago, has none the less conceded a few important aspects to the government, on which he disagreed with the loyal opposition of Her Majesty, but in the same breath, he expressed his own demands.

The spokesman of the Ralliement Créditiste has of course referred again to the philosophy in which he believes—and I think he is sincere—but it does not seem practical to those who feel that one has to live within one's means.

But the serious inconsistency in this whole debate, Mr. Chairman, is that on the side of the opposition—loyal, more or less loyal or disloyal—they accuse the government first of all of having exceeded its estimates by some $400 million. The government is accused of acting dishonestly towards the buyers of government bonds. At the same time, Mr. Chairman, while the government is accused of having spent some $400 million more than it had said it would, it is asked to spend hundreds of millions more.

The spokesman of the New Democratic party, for instance, claims that the pensions paid to superannuated civil servants are inadequate and could be increased.

The Leader of the Loyal Opposition of Her Majesty, after blaming the government for having spent $400 million too much, takes them to task for having cut down expenditures for research. Some of my backbencher colleagues demand investments of half a billion or a billion dollars. In fact, the government is blamed, for instance, for not constructing immediately the causeway leading to Prince Edward Island. It is called upon to build another Trans-Canada highway. In the meantime, that same party tells the government: you have spent $400 million more than you had forecast.

What has the government done? I would think it has acted as the family provider in looking after the needs of the Canadian community. When the government was accused of fraudulous deeds with the bond buyers, I think that was a case of slander against it. I think this matter must have been overlooked by the Leader of Her Majesty's Loyal Opposition who is usually more concerned with the interests of the country. If it is said across the country and throughout North America that this government is dishonest and selling bonds under misrepresentations, there is no telling what the results will be. I say this is not right and I know the minister will soon set the matter straight.

As a backbencher of this government, I must point out this lack of logic that I find hardly acceptable from people as intelligent as those who participated in the debate in blaming the government for spending $400 million in order to meet urgent requirements of the Canadian people. At the same time, the government is being blamed for not having spent some $1 billion, for instance, for pensions, for the completion of miscellaneous public works which have been posponed, for curtailing some investments in research, for neglecting to send food supplies to Biafra and, finally, for not doing enough about the sale of the western wheat.

One of these fine days, Mr. Chairman, we will have to make up our minds: do we want to spend money or not? If we spend and if we invest, we will have to raise taxes. But as soon as taxes are raised, the opposition criticizes the government severely for looking for money where it is to be found. There is no logic in our organization any more.

I know that our friends in the Ralliement Créditiste have a magic formula, and I would be the happiest man on earth if it were adopted. However, my friends in the Ralliement Créditiste forget that we belong to an international financial club in which there are some 70, 75 or 80 member countries, and that we cannot reform our monetary system unless those other countries decide to do the same at the same time, or our international trade—

Mr. Latulippe: Would the hon. member allow a question?

Mr. Mongrain: Mr. Chairman, if my hon. friend would be kind enough to let me finish my speech—

Mr. Deputy Chairman: The hon. member for Trois-Rivières has the floor.

Mr. Mongrain: Mr. Chairman, I apologize for my weaknesses, but I am a man apt to lose the thread of his ideas when he is interrupted. If my hon. friend would be kind

enough to wait until I have finished, I will be happy to answer his question, if I have some time left. I will have time, as I am going to be brief. And I will be happy to answer him, because I respect him.

Mr. Chairman, our friends should realize that wishful thinking is fine, that it is fine to say: We are going to reform the Canadian monetary system, but we are not alone in the world. As science develops, contacts between countries will become more numerous and we will be more interdependent. From the monetary point of view, we are probably more interdependent than in any other sector. That is indeed wishful thinking.

I excuse most of my friends, for I believe them to be sincere, but, in my opinion, to make people who are uninformed believe that these things could happen thanks to a magic wand which would reform the entire system is to mislead them.

Mr. Chairman, I want to defend the honour of Canada and that of the present government. I object to the statement that the government is dishonest in its representations. I deny the assertion that the government has broken its promise, since it has spent $400 million more than it promised it would, particularly in view of the fact that the very people who tax the government with this are the first to ask it to make investments far beyond its present means. This is obvious inconsistency which will probably persuade the Canadian public that the opposition is too stubborn in its role, and that, at times, it becomes inconsistent and illogical.

Mr. Chairman, I should be pleased to answer the question of my hon. friend.

Mr. Latulippe: Mr. Chairman, I should like to put a question to the member for Trois-Rivières. He claims that we are members of an international pool and that without this international pool it would be impossible to finance Canada.

I should like to ask him, for instance, whether, if the other nations, including the United States and England, did not exist, we should starve to death in Canada?

Mr. Mongrain: Mr. Chairman, the question of my hon. friend the member for Compton, whom I have just quoted and whom I respect highly, is to my mind a bit illusory, hypothetical and, up to a point, childish.

It is inconceivable indeed to imagine, even for a moment, that Canada could subsist if the United States, England, France and Germany did not exist. It is almost childish to speak of so hypothetical a situation.

More than ever, Mr. Chairman, we live in times when the whole world, even the United States which is probably the richest nation in the world, depends on the economy of the other nations; this to such an extent that when, for instance, England has financial difficulties, all her trading nations realize the necessity of helping her. The United States, the most important supplier of money to the world, which are now spending billions of dollars in Viet Nam, indeed reprove those countries that bank on American dollars to live on and weather those periods which we call inflationary, or financial difficulties, whatever they are called. But this is not our main point of interest and I mention it only incidentally.

I should like to remind my friends that even though they may be perfectly right in having such human objectives, we must still be realistic and quit dreaming, because dreams do not cure disease nor solve problems. Problems are solved by concrete solutions.

• (3:20 p.m.)

The purpose of my comments is to say to the hon. members opposite: You are not logical, you are inconsistent, you are blaming the government for its huge expenses and you are the first to ask it to spend more. Let us not say black and white in the same breath.

Mr. Deputy Chairman: The question of the hon. member for Compton (Mr. Latulippe) has led the hon. member for Trois-Rivières to begin a second speech.

Mr. Mongrain: Mr. Chairman, I rise on a point of order.

I wish to point out that my time is not up, but I thank you just the same, because I have completed my remarks.

[*English*]

Mr. Nielsen: Mr. Chairman, the hon. member for Three Rivers is certainly in his right slot. It was a good deal more interesting—

[*Translation*]

Mr. Mongrain: Mr. Chairman, I rise on a question of privilege—

[*English*]

With regard to my hon. friend, Mr. Chairman, on a question of privilege I wish to tell him that my home town is incorporated in French and in English, and in the English

version it is incorporated under the name of Trois-Rivières.

Mr. Nielsen: In any event, he is in the right party now after having shifted from being an independent. It is a typical sort of reaction for someone on his side of the house to take ten minutes to answer a simple question which took one minute to put, if that. It is indicative that although this is a new government, as has been pointed out, it is carrying on the same policies of doubt, the same old policies of uncertainty and confusion completely characteristic of its predecessor. It is not my intention this afternoon to put any blame for this sad state of affairs on the Prime Minister because, after all, he has been there only a short time. Like others, however, I do say that there has been absolutely no improvement in the situation.

The uncertainty with regard to external affairs has been very specifically pointed out this morning and this afternoon. In the field of economic policy there is not only doubt but, as was driven home in no uncertain terms this morning, there is outright deception. In the conduct of the business of this house there has been confusion. That is the record amassed in an extremely short time. We have a new government, yes, but there is nothing new about the manner in which it has been carrying on. The mistakes that are being made are kept more secret by the ministers who live in fear of being fired if they do not keep their lips sealed. There is uncertainty in respect of the policy concerning Czechoslovakia. There is confusion, dawdling and incredible incoherence in respect of our NATO policy.

With regard to the conduct of affairs in this chamber we heard the incredible proposal made last Wednesday by the Prime Minister that we should accept some kind of absentee government through the removal of half the members of the cabinet from their seats during the question period. What are they doing that is so urgent? Have we reached a point where cabinet ministers are so preoccupied that they cannot be in the house for an hour or less every day for the question period? Are questions of the government of this country of such an insignificant nature that ministers should not be required to answer questions on a daily basis? Is reform in some of the very vital areas of legislation unimportant? There have been cuts with regard to airport improvements and air navigational facilities, a matter of vital safety to the public. Are we to be denied the information to which the public is entitled because the minister concerned is not here during the question period? Is the very sad plight of our Indian people not sufficiently important to require the presence of the ministers responsible?

There is unemployment and a host of other extremely serious problems. These problems have been generated by the standard set by this government. Now the Prime Minister suggests that some kind of absentee government should be set up in spite of these very pressing and urgent problems in respect of which the ministers should give answers. Is there to be any importance attached to the question period? If ministers are not present to answer questions, then the question period becomes absolutely valueless.

I do not intend to go through the authorities because the proposition is self-evident. It is not my intention, after so many years of precedent, to defend the question period, the time when members have the opportunity to place before the government matters of an urgent and serious nature. I do not wish to be met with the charge that I am basing my argument on precedent simply because I do not want change. When the Prime Minister made the statement the other day that perhaps the question period in itself is not the factor that should be blamed, the hon. member for Trois-Rivières gave an indication of why the answer period is just as vital a factor in considering any alteration in the approach to this whole matter. Certainly the correct approach is not to have ministers absent.

The Prime Minister has not attacked the necessity of the question period in making his announcement. He simply put forward a unilateral proposal which would make the question period meaningless. The Prime Minister is quoted in *Le Devoir* of May 9 as saying that ministers have to waste at least an hour a day playing politics in the commons and that little would be lost if a régime were established that would liberate ministers from tiring parliamentary sittings. With this kind of attitude one might expect the type of announcement which the Prime Minister made on Wednesday. That attitude is an attack on the rights of the people who sent all of us here to probe the ministry by means of questions which are required to be answered in the public interest.

The minister without portfolio from Quebec—I believe he has a portfolio now but I am not certain which one it is—said in Montreal on June 2, as reported by the Canadian Press on June 3, that the government wants

to put an end to useless debate. This is the attitude of the ministry. Of course, the less time ministers spend in the house the less the exposure they are subjected to by the legitimate questions of the opposition, to which the public is entitled to answers, and the more likely they are to stay out of trouble. Perhaps that is the Prime Minister's motivation. The only conclusion I can come to is that his ministers have not been doing too well and regard parliament in the same way as the last Liberal government did. Therefore he simply intends to get rid of a nuisance or embarrassment.

I can inform the Prime Minister that if this kind of attitude on his part and on the part of his ministers continues his charisma will disappear very quickly. The arrogant assumption that the presence of ministers not only is not necessary but will not be available is a slap in the face of parliament. The ministers should and must be here during the question period. Otherwise, why bother to have a question period at all? If the house is to accept this and if the Prime Minister does not reconsider it, this is just a first step along the road to the ultimate throttling of parliament and the ultimate supremacy of the executive over the people as represented here in the commons.

I am not alone in that view; it has been stated before. Professor McWhinney stated very recently that the legislative arm of the government is being submerged in the supremacy of the executive. In my view, if this were true it would be a very undesirable trend. It seems to me that this type of announcement by the Prime Minister only drives the nail in the coffin of that kind of trend.

What are we to expect? During the last session and in the debate following the events of February 19 the Prime Minister said—and he believed it, because he nodded his head here two or three days ago when it was tossed across the floor—"we are the masters of the house", implying that "we can do as we please because we are the government, we are perfection personified." The implication is why bother to ask questions? They may not regard our questions as important, but the people who sent all of us here to ask questions have a different view. What, for instance, could be more important than the development of responsible government in our country, constitutional changes and a host of other matters, not to mention security and one or two other recent events which have been the subject of questioning during the question period?

• (3:30 p.m.)

The Prime Minister says that half of the ministers will be here. This is not really anything new because there are only half of them here at the best of times. There is the distinct danger that the half which will be present at any given time will be those who, in the Prime Minister's estimation, will not be asked questions.

Let me place before the Prime Minister another point for consideration. The absence of ministers will not deter the members from asking questions, but may have the opposite effect. I, for one, would just as soon put questions to the Prime Minister as the Secretary of State for External Affairs. The Prime Minister can be assured if the ministers are not in the house he will find himself fielding a greater number of questions. Perhaps that is what he wants. The members elected by the people of Canada sit here on their behalf, and have the unquestionable right to require the executive to give answers, to provide information and to account to the people. The Prime Minister is trying to curtail that right. The matter is as simple as that.

I have said enough to indicate that the Prime Minister should seriously consider this ill-advised move. If he is aware of the source of this information he should seek out the author and unveil to him some facts about parliamentary life. The ministers cannot be abstracted from their daily responsibilities in this house. That is their primary responsibility.

The Prime Minister may talk about what is done in England and other places, and we will take his word for it. Nevertheless, he will not and cannot suggest that England, which is a unitarian state without a complex regional situation as we have here, is the same. The ministers are deliberately kept out of the house under the English system for several days during the week when questions are being asked. The Prime Minister, in his usual fashion, has explained the matter in honeyed tones of sweet reason, but there remains the inescapable conclusion that in essence there is a matter of government convenience and protection involved rather than the protection of the public interest.

As others have said, we have uncertainty in foreign affairs with the most uncertain foreign minister of all times. We have seen uncertainty in the conduct of the business of

this house and uncertainty in the management of the economy. There is this legacy from the Pearson days of massive uncertainty which this government will have to throw off. On Wednesday we had another incredible example of government posturing and posing as the saviours of the economy, trying to turn an increase in spending into a saving. We all remember the story of the emperor's new clothes. The statement by the President of the Treasury Board yesterday was an apt illustration of that children's classic. I am sure you will remember the story. No one dared to tell the emperor that his beautiful suit of new clothes was non-existent, or at least existed only in the minds of his tailors. The emperor was in fact stark, staring naked. That was the position of the minister, at least economically speaking.

The minister talked about a saving here and a saving there, showing how the government by parsimonious cutting and scraping had saved $80 million. He went on to add, as an afterthought, even with that $80 million saving the total amount of the estimates was some $400 million above the previous unrevised, unexpurgated and unedited version. What was said by the then revenue minister, now the Minister of Indian Affairs and Northern Development? He speaks about members saying one thing and then being inconsistent by saying something else. Let us hear what the new Minister of Indian Affairs and Northern Development had to say when he was the revenue minister. He said at Calgary on June 3, as reported by the Canadian Press on June 4:

> The next budget will be a balanced one and every attempt will be made to hold the line on tax increases.

That is what one of the ministers that hon. members now support said on that occasion. Let's consider what the finance minister said in Saskatoon on June 8, as reported by the Canadian Press that same day. He said:

> The Trudeau government if re-elected will reform the existing tax structure rather than adopt recommendations made by the Carter royal commission, which would give Canada 'a radically different tax structure.'

We can see that coming. The same minister said at Grande Prairie on June 7 as reported by the Canadian Press:

> —economic expansion, reduced government spending and a balanced budget has increased international confidence in the Canadian dollar.

Here is one minister speaking in one case about a balanced budget, which apparently had already been achieved, and another minister saying that if the Trudeau government were re-elected there would be a balanced budget. Now we have these revised estimates presented by the President of the Treasury Board last Wednesday. They are up to their old tricks. They are trying to dazzle us with the same verbal footwork they displayed during the last election. This is what appeared in the candidate's handbook of the Liberal party:

> Employment and growth depends on stability in prices and costs . . . The Main purpose of a selective prices and incomes policy is not government control over prices or incomes or any interference with competitive market courses. Rather it is to improve the framework within which a free market can work . . . by assessing the impact of particular changes so other sectors of the economy, public and private, will know what action to take . . . tell other industries whether they should increase or decrease their dependence on a particular good or service . . . give government a guide to tariff or tax changes . . . and bring home to the price charger that his short run benefit may conflict with his long-run goals.

That, in a nutshell, is the economic philosophy of those who now sit on the treasury benches. Now, we see this mysterious alchemy of Liberal government financing; by the wizardry of the wizard of Kingston, the present Minister of Finance, who is an old hand at this kind of thing, we have an increase of some $400 millions represented to us and to the people of Canada as a saving of $80 million.

The President of the Treasury Board laboured manfully—we give credit where credit is due—but one had the impression that he really did not convince even himself. Here is an hon. gentleman whom I am sure was as aware of the nakedness of the pretence he was trying to foist on the house as we all were, but in the presence of jovial Merlin, the wizard from Kingston, of course, he was compelled to plough on trying to transform a sow's ear into a silk purse. Even though the purse was empty, I suppose it was better than no purse at all.

The present Minister of Finance is an old hand at this kind of fiscal sleight of hand. Few will forget his most dazzling performance during the last session when, with copious pages of notes, he managed to show, to his own satisfaction at least, that by not accepting in toto the budgets as presented by each department he had managed savings running into millions of dollars.

• (3:40 p.m.)

There is only one way we can reduce this kind of psychedelic financing—if we have to "make the scene", using the proper terminology in view of the changing scene on the other side of the chamber—to reality. It would be, for example, when a man's wife asks for a mink coat and he persuades her to settle for marten he convinces himself that he is much further ahead. This is the kind of thing that does not show up in a balance sheet. If this is to be the basis of this government's financial policy, it is evident that they can convince themselves they are doing a very fine job as long as their grasp continues to exceed their reach.

I am afraid, and I say this with all sympathy and the utmost good will, this government will have difficulty in convincing anyone above the age of three or four years, at any rate—although they seem to have convinced the hon. member for Trois-Rivières—that increased total expenditures of more than $400 million amounts in reality to a saving of more than $80 million. At least I know that in the part of the country I come from, that kind of arithmetic is looked upon with grave suspicion and would certainly lead to questioning whether those indulging in it were competent to handle this nation's finance. I am inclined to think they are not.

What has been happening? The last financial report of the government, for March 31, 1968, the end of the fiscal year, showed a deficit of some $790 million. By no stretch of the imagination, even of the wizard of Kingston, can a deficit of $790 million be palmed off as a surplus. Therefore, it will have to be made up. On top of that we now have an additional expenditure of $400 million. Therefore, one can see that this government is heading furiously for its first billion dollar deficit. No wonder the Prime Minister took time off a few weeks ago to watch the Canadian Grand Prix. I suggest that he should spend more time watching his Minister of Finance who is now putting on the greatest fiscal Grand Prix of all time.

Meanwhile the previous minister of finance is doing for Biafra what he did for Canada's finances. One can only sympathize and shudder. We have had the excuse that the increases are statutory. Who brought forward the statutes? Whose policies were embodied in those statutes? Whose policy was the kind of medicare which this government has shoved down the throats of the provinces, at fantastic cost?

The Prime Minister said today during the question period, and I am quoting him, "We cannot break an agreement with the provinces". But that is precisely what his government did last year, or was it this year, when it reneged on the payment of the federal share under the vocational school arrangements between the federal and provincial governments. I do not believe there is a premier who did not convey to the Prime Minister and his ministers of the day his resentment of the action of the federal government.

Now, the government has the gall to get up in the house and bleat about the terrible cost of medicare. The former prime minister said it would not cost much, because the majority of the provinces could not afford it. We would have had medicare now if this government had met the provinces halfway and had done what the Leader of the Opposition has been calling upon them for months to do. We would have a medicare program that the provinces and Canadians in general could afford. What has happened in Saskatchewan? The government is forced to increase premiums and the deterrent cost in order to keep that program going. This is the kind of program the government wishes to force upon every province of Canada.

In regard to statutory costs, these are policies of this and the previous Liberal government of ill-starred memory, some of whose proponents are still with us. Now they say: Isn't it too bad. Everything is expensive, and we cannot control these things. If they cannot control these things, the only thing they can do is resign and let somebody who can, control them. Are they telling us now that they did not know what medicare would cost? Are they saying now that they did not take it into account? We have two provinces actually in medicare. They say medicare is throwing out their accounts. Yet the government solemnly stated in this house that they wanted all the provinces in.

You would have to go back to Hamurabi to find shattering evidence of total incompetence such as we have had from this uncertain and confused government. They are blaming the increased costs on the Canada Assistance Plan. They brought in this plan with a heralding of trumpets. Now they say: Isn't it too bad; it costs too much money. Certainly it costs a great deal, because the Canada Assistance Plan has simply contributed to the welter of overlapping, duplication and waste in welfare for which the Canadian taxpayer is having to pay. No one knows this more than the Prime

Minister. He says he is taking steps to end it—at least, he has promised to do so—but it appears that he has not yet had time to go into action.

Therefore the country is still saddled with the hodge-podge of welfare bureaucracy with which the Pearson-Sharp legacy has left it. This is where the cost comes in. The Minister of Industry and the President of the Treasury Board get up in this house and cry about these increased costs. I sympathize with them; but why does not the government take action instead of indulging in these shallow attempts to convert real increases in the deficit to imaginary surpluses or budgetary balances? Even that phrase is now forgotten, because it is no longer a balancing of the budget but is referred to as a balancing of the national accounts.

I see no real change. There was supposed to be a fresh, new breeze that would invade this chamber and governmental approaches after the last election. There is certainly no change that I can see either in this chamber or in the policies of the new government. Indeed, the same old bunch is there, and obviously the same old policies are there. There seems to be no real intention of the Prime Minister to weed out the suffocating policies of the past and to follow the oft suggested course put forward, in terms of medicare and better policies, by the Leader of the Opposition and others during the last few months.

Mr. Skoberg: Mr. Chairman, it is a pleasure for me, as a new member of parliament for the constituency of Moose Jaw, to speak briefly on the motion before us at this time. I realize, as others in this house, that the popular thing to do is cry out against government spending, no matter what that spending may entail. However, I am certain that every member in this house realizes that although a few savings can be effected in some quarters, the over-all budget must be recognized as having to be adjusted to the needs of the nation.

The questions I raise are whether the needs of every part of the country are being adequately met and whether assistance is being fairly distributed. I believe it is important for members of the house to understand that the constituency of Moose Jaw is made up approximately in the proportion of 50-50 in terms of rural and urban population. It can be suggested, therefore, that I am fully aware of the problems facing the rural and urban populations.

[Mr. Nielsen.]

I would not like to see this government cut expenditures in fields that are having, and will have, disastrous effects on the economy of the constituency which I represent. I am sure every member of the house is of the same opinion in so far as his constituency is concerned. I am certain that all members of this house, and in particular all hon. members from the west, are aware of the seriousness of the agricultural situation at this very time. I have just returned from the Moose Jaw, Outlook, Davidson, Dinsmore, Central Butte and other areas of Saskatchewan where I have found the situation to be serious, to say the least.

• (3:50 p.m.)

I realize that many members of the house, especially those from eastern Canada, do not realize the importance of the agricultural industry as it affects everyone in this country. I would respectfully suggest that if the agricultural industry suffers, then so does the entire economy of Canada. It is not good enough for the Minister of Agriculture to say that the government is keeping a close eye on things. Action is needed now to provide assurance to our western producer that cash will be available to meet his heavy commitments. There must be a guaranteed price for farm commodities, be they from the east or from the west. The cost of production to the farmer must be recognized and a fair return must be realized by the man who is doing the producing.

I say, Mr. Chairman, that there must be a guaranteed minimum price of $2.12 per bushel for wheat and $3.12 a bushel for the first one thousand bushels of wheat delivered from each farm unit to the domestic market. It has been said by some editorial writers and some members of parliament as late as today that the wheat industry needs no subsidy nor do we need a two price system for our grain. I can only say that it escapes me why the prairie farmers should be asked to subsidize some of the very same people who are saying no subsidies are necessary. Every other wheat exporting nation in the world, except Canada, supports its agricultural economy. I say it is high time that we appreciated the fact that we must support this basic industry.

It would appear to me that it is very unfair of this government to expect the Canadian farmer to compete with the treasuries of other countries, and this is what is happening at this particular time. The other countries are supporting their basic commodities, and

we in Canada must do the same. It is high time we took a close look at the situation. It may be interesting to note the drastic change which is taking place in our agricultural industry today. In the year 1942-43, 119,127 permit books were issued in Saskatchewan, while in the year 1966-67 some 92,302 were issued. This means that there has been a drop of some 1,118 permit books a year in each of the last 24 years. I ask that this government realize the plight of the agricultural producer and not cut but rather increase budgets in that area.

Another serious and immediate problem facing the city of Moose Jaw is that of the inability of that city to qualify for the area incentive program. As you know, Mr. Chairman, we are located some 42 miles from a rather large centre to the east of us which has the advantage of being the seat of the provincial government—which, by the way, I am given to understand should have been located in Moose Jaw but was stolen away one dark night many years ago.

It may be that the average wage level and the unemployment level make it difficult for Moose Jaw to qualify for the designated area incentive program. The reason for this of course is that thousands of displaced railway workers, Robin Hood flour mills workers, and packing plant workers, are required to travel to outside locations to find employment, leaving the city in a difficult economic position. The Minister of Forestry and Rural Development said that the government plans on checking this program periodically in order to see where exceptional intervention is necessary to improve the employment situation. I would ask this government to give favourable consideration today, not tomorrow, to the designation of Moose Jaw as a designated area under the area incentive program which was mentioned in the house as late as yesterday. I am completely familiar with the situation in Moose Jaw. Having sat on the city council for four years, I know that we have lost at least four industries which were prepared to settle in our city but which located in another area under the incentive program.

I am given to understand that we may obtain an industry soon if Moose Jaw becomes a designated area. I suggest it is easier, and far more reasonable economically, to stop the disaster which will result if centres such as Moose Jaw are not given the same advantage as others. This matter is urgent, and I ask the government to consider the designation of Moose Jaw as an incentive area.

The third point I would like this government to consider is our transportation system. I do not think that I have to tell the members of this house about the difficulty of travelling from one part of the country to the other. I do not think I have to say how congested our airways are becoming in our young nation. I do not think any of us are looking forward to the day when planes will have to circle for many hours before landing. We all realize that an efficient air travel system costs millions of dollars, and it is safe to say that millions of Canadians do not want to fly when other means of transportation are available.

I have here an article from the *Winnipeg Free Press* of July 29, 1968 in which it is said that the congestion in U.S. airports is costing the government some $50 million a year. I suggest that if this government took the initiative and instituted an efficient transportation program, then possibly we could save a considerable amount of money in the future in so far as airports alone are concerned. We know that the government must give consideration to the establishment of a more efficient transportation system in our nation, and this must include an efficient rail system from coast to coast. We know the C.N.R. has taken the initiative in so far as passenger traffic on rail lines is concerned, and I suggest it is high time the government gave consideration to the establishment of a committee which would look into the over all structure of rail traffic. I have heard very recently that the C.P.R. is considering taking off eight cars from its transcontinental train, the Canadian. I suggest that those who have tried to obtain space on either C.N.R. or C.P.R. passenger trains are aware of the difficulties which are encountered.

I believe it is time an over-all program was instituted which would take these factors into consideration. I will not bring forth all the problems that are besetting our constituency at this time, but I would like to respectfully suggest to this government that there are areas in our economy that need immediate attention. I have mentioned just a few of these, and although I have not referred to the plight of old age pensioners and those on fixed incomes I expect a government which believes in a just society to have legislation in force in the very near future which would bring relief to these citizens. I ask this government to be realistic in its financial policies and not to favour one segment of our society to the detriment of the other. People must be given equal opportunities, otherwise, they

will find it difficult to say "I am proud to be a Canadian".

I say that any deficit incurred by the introduction of a national medicare plan is, in my opinion, well justified. It is only through such a plan that all citizens can receive equal treatment. In my opinion, any member of this house who speaks against a shared cost medicare program must be considered "suspect" and acting on behalf of private insurance companies. I, personally, commend the government for holding its position with regard to the national medicare plan. The people of Saskatchewan know what medicare means and they are not prepared to return to the days where the law of the jungle prevailed. Then, those who had money received treatment and those who were in financial difficulties found themselves treated as second class citizens. The previous speaker mentioned the Saskatchewan medicare program when he was condemning the government for over expenditure. I do not take issue with over expenditure but I do take issue with the protest against an increase in cost in relation to the medicare program in Saskatchewan. Saskatchewan knew that the cost of medicare would mean an increase of approximately 5 per cent per year. The medicare insurance commission's annual report, which has just come out, shows that this estimate was correct. I can assure this house that the people of Saskatchewan realize that medicare is a program which they want. They showed it by voting in six new members of the New Democratic party.

I could dwell at length on the individual items in this interim supply motion, but nothing would be accomplished. My only purpose in bringing these items to the attention of the house is to indicate a few of the areas which need close attention and which need a greater infusion of government spending if conditions are to be improved in this country of ours.

• (4:00 p.m.)

[*Translation*]

Mr. Latulippe: Mr. Chairman, I am happy to have the opportunity to say a few words on interim supply.

I understood that the government or the Minister of Finance (Mr. Benson) wanted to balance the budget this one time. There is talk of balancing the budget, the economy of the Canadian government.

Mr. Chairman, we are in favour of economic balance, but all efforts made to balance the budget have led us to economic and political chaos. That is where the balancing of the present system has led us because it is impossible to try to balance it, because it is mathematically impossible.

By trying to balance the government system, we throw the economy of corporations and individuals out of balance. If we want to balance the government budget, we must impose a higher tax on companies and individuals. Now, by taxing companies and individuals, we reduce the purchasing power, and by so doing, we bring about recession, we increase unemployment, and the consequence is a complete breakdown of the system.

The hon. member for Trois-Rivières (Mr. Mongrain) said earlier that in the present system, it is normal for a government to make allowances for facts, for present circumstances, to get along according to its resources, to rely on others to take action. If there were no other countries, we could not live, we would starve, but as they exist, we have to co-operate.

We have to follow suit. If they are destitute, we must be destitute; if they restrict credit, we have to restrict credit. In order to balance the budget, Mr. Chairman, we must restrict the credit available to the people. This restriction of credit leads to disaster and stagnation for, under our present system, one has to go into debt to do anything. We need money to balance the budget. The government has only two ways of raising money: personal income tax or new loans.

At the present time, the government is practically at a point where new loans are impossible. New bonds worth $500 million were issued at the beginning of the month.

We assumed another obligation because we issued another $500 million, another half a billion dollars, in bonds on June 15 during the election campaign. As a matter of fact, the government of Canada has just floated another bond issue totalling $500 million.

For instance, in the June 15 issue bearing interest at different rates, the highest rate being 7¼ per cent over a period of 27 years, it must be noted that one share of the $500 millions was intended for the reimbursement of $283 millions, at 2¾ per cent, that is an increase of 4½ per cent in the interest rate.

So we are trying to balance the budget by paying more on bonds. We are not even able to buy back our old bonds; we have to get new loans at new interest rates to pay back our bonds. That is why I would like the Minister of Finance (Mr. Benson) to tell us what he will do to balance his budget. If all we can do is strengthen capital, pay more for

capital already borrowed to pay it back, if that is all we can do how will we balance our budget?

With regard to the bond issue of June 15, for instance, which bore interest at 2¾ per cent, they cost $27,500 a year per million dollars; now they will bring 7¼ per cent, that is to say cost $72,500 per million dollars, an increase of $45,000 per million dollars, without any more work on the part of those financiers or millionaires who lend money to the government to try to balance the budget. Is that the way to balance the budget? We hear about a just society, a united Canada, economic balance but everything is done to disrupt, to unbalance the economy, to turn economic somersaults, and that leads us also to political somersaults.

With regard to all those 283 millionaires who owned $283 million invested at 2¾ per cent and who will now get 7¼ per cent, that is $45,000 more each year, without working any harder, they will therefore earn $12,735,000 more from the $283 million loan and again the small labour income will be taxed to favour the large management income.

This is a quite recent and obvious fact, and we complain that our just society is continuously widening the gap between the rich and the poor in the same country. We do exactly like the old countries with the same economic and political systems which we have: We widen the gap between the poor and the rich to such an extent that the rich become richer and the poor poorer.

If people have to pay more taxes, to tighten their belts even more, why, for once, everywhere in the world and in our country, Canada, would financiers not tighten their belts a little? Why should we continue to allow this capital and the interest rates to increase at the expense of the individual, of the small wage-earners? It is the poverty of those people which increases; everywhere in Canada, there is a lot of talk about dealing with the problem of poverty; it is a monumental joke. Never, in this house has any party ever solved that problem. As long as such abuses are allowed, we will see a continuation of the present economic imbalance; the more this situation deteriorates, the more the people will be inclined to rebel.

• (4:10 p.m.)

That is where matters stand now, Mr. Chairman. No member of the old parties raises that economic question; none of them is willing to raise that problem which is disastrous, dreadful, unfair to society, that pernicious economic problem which corrupts society the most.

That is where matters stand, Mr. Chairman. In Canada, production is abundant, capitalization too exacting and consumption deficient.

Mention is made of boosting the economy of our country because all great economist, all university professors talk about increasing productivity. We now have a $28 billion surplus in productivity; it is not a problem of production, it is a problem of consumption. No one is willing to finance consumption instead of financing production only.

Production is the starting point of consumption. Production is financed, but nobody wants for anything in the world to finance consumption. Consumption can be financed by the distribution of surpluses in the Canadian economy. Such a distribution can be done easily. But nobody wants to hear about that; therefore, there is no intention of settling the problem, the only intention is to maintain the same economic chaos and even make it worse. We will never solve the problem in that manner.

These three main points are presented in technical terms in a 300 word statement which I made in this house in the past. I already gave the Canadian parliament, through various explanations, the proof, the literature concerning all economic requirements, as well as the evidence given by experts, accountants, bank managers, directors of companies or corporations, representatives of special interest or pressure groups, representatives of all the university, social, national or international fields in that connection.

What we need is the same formula for everyone; a formula for income, expenses and profits. Mr. Chairman we must balance incomes with expenses and profits; taxes with reserves, individuals with families and communities; needs with costs and prices; management with employees and dependants; capital, with work and the right to live. An economic balance must also exist especially between production, consumption and capitalization. This is the great part played by the economy and in that case, nobody wishes to interfere with high society. As long as our executives, our economists, our Ministers of Finance and the members of the house do not wish to intervene to balance the economy especially between production, consumption and capitalization, the problem will exist.

Like everywhere else, production in general is overabundant. We should only have to fill the gaps and the shortages by drawing from the enormous surplus or from the extravagant reserves. There are extravagant reserves, Mr. Chairman, which are allowed by the Minister of Finance, by the government in power, but those extravagant reserves, which are hidden, which are secret or semi-secret, are never touched. As to the capital surplus, it is not taxable.

If you do not have any money, instead of always emptying the pockets of those who, owing to the present system have already too little or are already short of money, go and see where the reserves are hidden, go and see where there is too much money and take it. You will then be able to finance and balance your budget, while at the same time providing a minimum of security to various corporations or individuals.

All this can be done by the federal government in Ottawa. Under the present constitution, no other group, not even the provinces, has the power to stop the central government from regulating currency, credit, banks, the circulation of money, capital interest and the rights of Canadian citizens of which the first is the right to life.

Under the Canadian constitution, it is definitely up to the government to fix interest rates, but the government is evading its responsibilities. It is allowing interest rates to fluctuate according to the trend on the market. The market, the stock exchange, and all those bodies which are exploiting the people are tolerated and approved by the present government and the present Minister of Finance.

If we cling to this monetary system to try and have a balanced economy in Canada, we will never come within reach of it. We will never be able to have a balanced economy if such corrupt practices are not eradicated, because they are prejudicial to all citizens who have a right to the good life in this country that overflows with riches. The country is rich, but its people are poor, they are starving, they are taxed and in debt up to their necks.

Expenditures exceed the estimates of governments of all levels: federal, provincial and municipal. The same situation exists for school boards, and in 99 per cent of Canada's economic agencies. And we think we can balance the budget with the principles, the data

and the practices of the past, when such principles and practices have led the country to disaster and to ruin.

The present problem is supposed to be settled without anything being done about our economic disaster.

The most important of all justices, Mr. Chairman, is the economic justice. It is the justice of the *primum vivere* assured to each Canadian citizen, the basic justice. Everything else will come to boot. First things first. All this cannot be obtained immediately within the framework of the present monetary system. No need really to change anything. Just let us find out where things went wrong.

There is a gross injustice in the income tax schedule. The taxpayers pay $3 of income tax while corporations pay $1, a $2 difference. Corporations enjoy extraordinary privileges as far as income tax is concerned. Individuals, on the other hand, have to pay their taxes in full. Their income tax is deducted from their salary, it is deducted from their pay cheques. One steals from the working man, one steals the bread from the mouth of Canadians, from the poor ordinary citizen, but one lets large corporations get richer by allowing them to pay less taxes than the wage-earner.

When a corporation pays $1 in income tax, the individual citizen has to pay $3. And this does not take into account the extravagant reserves and all kinds of privileges which enable corporations to capitalize exaggeratedly and by all kinds of means. Those who know what is going on in financial circles are well aware of this.

Mr. Chairman, the economic potentialities of our country have increased at a vertiginous rate, but with our present system of increasing debt, we are inevitably heading for the abyss, where we are being precipitated head down as our country is in the process of being built. Those who are putting us head over heels in debt are slowly choking us. The present government allows it, as did the former government.

• (4:20 p.m.)

If we accept scientific and technological progress, why not also accept progress in the field of public financing? Social credit would specifically allow man a just share of the manufactured products.

There will be more and more unemployment amongst Canadian workers if we refuse to recognize the primacy of man over money.

Automation should please man and help him, instead of crowding him towards poverty and that type of insecurity which lowers him in his own eyes.

Instead of being cool towards the logic of our principles and philosophy, the people, the various classes of society, social organizations, everyone should realize that they provide the only way to give man access to the goods created by machines, progress and science.

We have reached that turning point in the economic activity of our country. We must accede to progress through social credit, lest we be smothered by progress as it exists in our present economic system.

If we really want security with freedom, it is up to the people to make a choice. The financial problem is everyone's problem. Social credit alone tackles money problem, current problems.

Instead of taming men, women and children, as the old parties do or have done in the past, social credit wants to tame money and credit, so that human beings can fulfil themselves freely.

As much money and credit must be made available to the people as there are goods and services. That would make for a balanced Canadian economy, that would ensure honest comfort to each and everyone. We could increase family allowances. We could pay higher pensions to the elderly, the disabled, the blind and the veterans.

Let us use the Bank of Canada to that end, to facilitate the development of our natural resources to finance the provinces, municipalities and school boards, to help the farmers and promote housing.

Instead of levying taxes on building materials, we could readily help the taxpayer by abolishing the tax levied on those materials and by lowering interest rates and thus reduce administrative costs, instead of tolerating usurious interest rates as the old parties have done since confederation.

Except for depressions and wars, what did the old parties bring us? We had the Grits for 22 years and the Tories for five. What was the difference between the two of them over 27 years?

Mr. Chairman, it is time to put our cards on the table. We are not satisfied, the Canadian people are not satisfied with the present system operating in our country. There is general dissatisfaction, there is fear, insecurity and unnecessary hardship. A great deal of essential goods are lost and, on the other hand, two thirds of the people of the world go hungry.

It is a barbaric absurdity. For lack of figures, human beings are dying and our governments, which see all those people die, still refuse to establish figures.

The banker's pen increases the figures only by increasing debts. Since no one likes to get further into debt, they avoid the banker. There is a shortage of debts, but we can see no abundance of debts.

No other alternative but to turn to the banker to satisfy our right to necessities. It is not the will of God that there should not be any borrowing facilities. Those are rules made by our governments, by men, by human beings who call themselves intelligent.

They merely say: Working men, farmers, increase your production, bring out the goods of the earth. As the banker does not bring out his credit at a rhythm equal to your bringing out the goods of the earth, you will have to give them away or let them perish or stop producing them. Bring up children, good Canadians; give them a good education by dint of privations, prepare them for life, but as the banker will not allow any credit at the same rhythm you are bringing up children and educating them, your young people will not be able to sell their labour, they shall be unemployed and shall lament over irretrievable errors.

When it comes to money and figures giving access to goods, man is being adjusted to figures. Man is there, hungry, while there is an abundance of bread, a lack of credit; no credit be given, bread will mildew and man will disappear. That is what we are coming to with our economic system.

Mr. Chairman, I would still have many things to say, but I will limit myself to suggesting that as long as we have not assumed our responsibilities and as long as we have not adjusted our economy to the present goals and real facts, we will be faced with the discomfiture of economic and political somersaults.

[*English*]

Mr. Diefenbaker: Mr. Chairman, for several days I have been endeavouring, along with my colleagues, to secure some statement from the government on the subject of international and commonwealth events. It is now evident that the house will not have any opportunity to discuss these questions for weeks, if not for months, to come.

This is a subject which the government is not very anxious to discuss, or have discussed, because in the period since June 25 the Prime Minister and the Secretary of State for External Affairs, have gone from bungle to bungle in connection with several matters. I mention immediately that although the Prime Minister is not in the house his office was notified that I intended to deal with some matters in connection with which mention would be made of his stand; I can appreciate, knowing the weight of responsibility which rests upon him, his inability to be here. This afternoon as I look over the house, realizing that we are dealing with a most important matter involving the expenditure of vast sums of money by way of interim supply, I begin to ask myself whether we in this chamber are discharging our responsibility of examining the expenditures of the government.

May I point out that before the election was called three months' interim supply was passed. During the four month period after the election the government secured its supply by way of Governor General's warrants. Now, it is asking for a further three months' supply for October, November and December. Hundreds of millions, billions of dollars are involved. How many ministers are here? Three. Is it any wonder that my hon. friend from Yukon should ask: why should this government wish to follow the course enunciated yesterday under which ministers would stay out of the chamber more often. This is one occasion, connected with the expenditures of the country, which demands their presence. I know they are busy—turning out press releases. But the time has come when the people should know that by this scant interest they show contempt of the chamber to which they give their vocal allegiance.

In the past several months, and I intend to refer particularly to international affairs, Canada has sunk to its lowest level in the opinion of other countries in consequence of the uncertainty which has been shown and the loose statements which have been made by the Prime Minister and the Secretary of State for External Affairs, a state of things which can only lead to international misunderstanding and international chaos. Before I turn to this subject, however, may I say that I was glancing through the general summary of expenditures this year in which are set forth the savings being effected. One of them is $34,368,200 in connection with the centennial commission. They are not spending that amount this year. That is understandable because the centennial is past. But they put in a saving of approximately $35 million in order to bolster up this fancy variety of financing in which they are indulging. The people need not be deceived. I have to be careful in the choice of words, and I say the Canadian people are going to get the greatest taxation picking that this country has ever known because of the wastefulness of the government.

• (4:30 p.m.)

I remember how they spoke in such pious terms and said that the day of deficits was past. That was back in those dark years of 1963. Today we face the largest deficit in Canada's history at a time when there is an expanding economy, because of the fact that waste has become the yardstick on which this government operates.

I want to be fair. Speaking the other day about the just society, and looking at all the M.P's who have been honoured by securing highly paid positions—some did not run; others ran, also ran—I said that the just society was apparently just for Grits. I have to amend that. Today, a new sense of responsibility and respectability is added by the fact that Hon. Michael Starr has been joined with the 15 or 16 others. All I can say is that the addition of Mr. Starr reduces my previous observation by one eighteenth.

Mr. Drury: We seek talent where we can find it.

Mr. Diefenbaker: I must hear those words from the hon. gentleman. I don't want to miss anything. What did he say?

Mr. Drury: I just remarked that we look for talent where we can find it.

Mr. Diefenbaker: There are still quite a few defeated Liberal candidates and I can only be convinced they don't have those qualifications. I certainly realize their qualifications don't equal Michael Starr's. When this government starts running out of Grits for appointments we are indeed approaching the millenium.

All over the world we find peoples and nations at loggerheads with Canada. When the government picked the Rossillon affair I think it went to the bottom of the barrel to find something on which it could build a case. It has all the earmarks of a smokescreen to cover up the international shortcomings of

the government. Our troubles with the United States began in the summer in connection with the underselling of wheat in various parts of the world. When we were in office we told them, "You shall not do that." But the United States administration today does not pay much attention to what Canada says, and Canadian notes.

You will recall the famous case of Hal Banks, when the government of Canada was greatly shocked by the political conduct of the Secretary of State in the United States in doing something in an election year that had not been done by the administration in that country throughout the years, overruling their pseudo or semi-judicial officers. Then after that event, which I criticized at the time as a political event, we find that a very fabulous sum was advanced by Banks' trade union to the Democratic party shortly after Mr. Banks received that declaration of purity and freedom from extradition.

I have been wondering why it is that France and the United States have practically turned their backs on Canada internationally. However, the answer is clear when one reads a statement made by the Secretary of State for External Affairs. He piled up deficits and was not able to carry out properly his financial responsibilities, but now he is tinkering in international affairs in regard to which his knowledge is certainly not of the best. He made a speech in which he said, "We go all over the world distributing money". Look at the distribution.

I find in the general summary that the external aid office this year will expend $142,503,000, or $9,315,000 more than last year. I always thought these expenditures were for the purpose of raising standards, to assure the people in lesser economically developed countries that they would have new opportunities. But that is not so today.

Here is what the Secretary of State for External Affairs said in Edmonton on June 10:

> Canada will limit the number of countries it will help . . . beneficiaries will be the West Indies, some French speaking countries, mainly in Africa, and countries already under the Colombo plan—

That is all right if the sentence ended there, but then the minister gave the reason for these contributions:

> Canada's aim is to check American influence in the West Indies and France's influence in its former colonies—

Did you ever hear of the granting of international aid on such a basis, that you are trying to undermine American influence in the West Indies, and the reason you are giving assistance to former French colonies is in order to separate them from de Gaulle and the government of France? That is the most frightful commentary on the unaltruistic purposes for which assistance is being given today.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: It is hard to understand. If he were not a man of sober second thought one would come to the conclusion that he spoke under the inspiration of the moment. In effect, the minister said we are operating in the West Indies and helping their people so that American influence will be diminished.

Mind you, cabinet ministers in the last few days have been very concerned about Africa and the feelings of African countries. Yet, the Secretary of State for External Affairs says we are going into Africa to see whether or not we can chisel away any close relations between France and her former colonies. Actions like that certainly do not breed good feelings internationally.

Then we come to the field of the Commonwealth. I do not apologize at all for mentioning the Commonwealth, but it has become one of the dirty words in the government's vocabulary. There is no mention any more of the Commonwealth. I wonder why. For several years I endeavoured to secure the consent of the various Prime Ministers to meet occasionally in Commonwealth capitals for those conferences that bring together the various nations. At one time there were only two or three who objected. In 1968, the Prime Ministers of the Commonwealth offered to come to Canada for the first time in all history, and the government of Canada said no. If I understand the reason it was, "We are not ready for them." This is a strange commentary on a government that one would think would realize the strength, the efficacy and the mission of freedom of the Commonwealth.

I am not going to mention the crown today except in a passing way. The other day in the house I said that for some reason there was no mention of the Queen or the crown in the speech from the throne. The only reference to the throne is in the name of the speech. I wonder why? Well, I made a remark the other day and it was challenged. I obtained a copy of the special program on the Liberal leadership convention which was a remarkable effort on the part of the C.B.C. I enjoyed every bit of it. It was well constructed by

Cameron Graham, one of the finest producers we have in our nation. At page 12 we see what the announcer said:

• (4:40 p.m.)

The most important regional meeting of Liberals is at the end of January in Montreal. It's the first opportunity for Pierre Trudeau to demonstrate his platform style, and the verdict of most of his audience is ecstatic. He is confronted with a tricky political problem when the delegates pass a resolution to abolish the monarchy in Canada.

I do not know what was tricky about it. The Secretary of State voted for its abolition and now he is one of the cornerstones of the government of Canada. So, there is no penalty to anyone who holds the view that there should be abolition of the monarchy. Here is what the Prime Minister said when speaking to newsmen after the Montreal Liberal meeting:

Question: Was it just an accident that you weren't in there when the vote was taken?

Trudeau: It's an accident, yes.

Question: What would you have done? How would you have voted?

Trudeau: I probably would have voted against it, but just because I like to be against the current, I suppose.

Now, there is the highest justification for anyone to vote against the abolition of the monarchy; he preferred to be against the current. Then, the questioning continues:

Question: You would not have abstained though?

Trudeau: I might even have abstained. I think I would have voted against,—yeah.

I think that is the proper pronunciation of "yeah".

Although probably that's just because I'm an ornery person.

We never found him that way. We heard him today benign, unsaturnine and attractive in the way in which he answered questions. He said:

If I'd have been completely logical—

Now, this is where the mind comes into it. He went on:

—I would have abstained because I . . . you know, I don't give a damn.

I thought the Prime Minister said that he had not uttered those words. That is the attitude of the government on the question of the monarchy. "I don't give a damn." That is not enough. This Commonwealth means more. Our constitution says that parliament consists of the Queen, the Senate and the House of Commons. Surely, an answer such as that is bound to rouse feelings of annoyance, exasperation and worse.

[Mr. Diefenbaker.]

Let us pass on to the question of Czechoslovakia. In the month of May NATO was to be emasculated. It was said that our troops were not needed over there any more and that they should be brought home. The Prime Minister said—and I always have the quotation for those who would like to have it—that so far as NATO is concerned he would retain the political membership. One week before Russia moved into Czechoslovakia one of the representatives there said that there was no danger whatever. What about all these people who are over there? They do not know what the U.S.S.R. is going to do. We know today how they strike against their friends. Yet there are those who say they have turned over a new leaf and that all is going to be well. That sort of talk should be all over now that we have seen the fate of Czechoslovakia.

What did the Canadian government say about Czechoslovakia? Well, the first observation by the Prime Minister was, "Let the people behind the iron curtain stew in their own juice." He let these people behind the iron curtain stew in their own juice. This is no longer a private member but the Prime Minister of Canada speaking of a country where the little bit of freedom was breaking down under the tanks and troops of the U.S.S.R. What did the Secretary of State for External Affairs say? His words were these, "The attack on Czechoslovakia is disappointing." Is it any wonder people are asking what is this government's concept of international affairs. There have been two versions of the "stew" observation. One is that if the iron curtain countries are having troubles at home let them stew in their own brew. The other is, "Let them stew in their own juice". Neither is the kind of observation that a great nation like Canada should be making. This was the Communist "Munich" for Czechoslovakia. It will not be the last. The U.S.S.R. promised to get out. They are still there and they are buying winter clothing which means that they intend to stay, and Canada says, "Let them stew in their own juice."

After three or four weeks of prodding the government did decide to let some of these refugees into Canada, but for four long weeks this government did nothing but cynically stand aside and look upon Czechoslovakia as just another country.

Then we come to the question of Biafra. That is one of the most sordid stories in Canadian history. The Secretary of State for External Affairs swings his arms out widely

and says he is a humanitarian. Humanitarianism will not meet the situation in Biafra while thousands die each day. The people of Biafra will not survive by the use of empty words which is the result of a bureaucratic balancing act by the Secretary of State for External Affairs. Just think of the cynicism in the answers given regarding Biafra. On July 10 the C.B.C. inquired of the Prime Minister what Canada was going to do with regard to Biafra. This was just two and a half months ago. His answer was, "You have the funniest questions." What is this? Is this an appreciation of the seriousness of events there?

• (4:50 p.m.)

Later he said aid might be sent to all the needy persons, but it could not be sent to everyone. I should like to see what the priorities are that rate before the needs of the Biafra people. That is not the attitude of a government filled with the spirit of humanitarianism as voiced by the Secretary of State for External Affairs.

What are you going to do about the situation? The members of the opposition have pressed for action. What answer did we get again today? We received a cynical shrug and the answer that nothing can be done. Weeks ago we told the government to try to bring this matter before the United Nations and we were told that could not be done because the government did not know how to draft a resolution that would be humanitarian. It didn't want a political resolution, but for God's sake, will this government act now when thousands are dying? The answer we receive is that the government must be careful because 27 African states believe that this is an internal affair. These are most of the African states to which we are giving aid. Are we giving this aid, as suggested, to undermine the relationship between them and the republic of France?

The Prime Minister had an interview, program no. 51-22103-8001, and he was asked about this question. He said:

—it wasn't my purpose to try and achieve any awards for the Speech from the Throne or from my speech in the debate. That's not the object of government, is it, to get bleeding hearts or purple hearts,—

He finally ended up in the course of that interview by saying this:

Well I'd like to discuss it with you, Mr. Lynch. I would like to discuss it with the Canadian people because my heart bleeds as much as anyone else's when I know that people are starving. But there have been civil wars before, and the question is, once again, that the African states decide that this thing is an internal question.

He went on to say that if we act we will have our planes shot down. Why will Canada not act by placing a motion before the United Nations? If the other nations will not join Canada, we will at least have given the lead to the world by saying that this is wrong.

Why is there this unimaginative diffidence to act? Sometime the government will have to act, perhaps when these people over there are all dead. Perhaps then this government will step in and say it will put a resolution before the United Nations. I suggest in all seriousness that something should be done now. I agree that the government cannot do everything and may not get such a resolution through but at least if it tries, Canada will be taking a stand which it has not taken up to now. All the elusive evasiveness of saying that we have sent over quite a bit to Lagos, and we are sure that somebody is getting it, does not help. There is no way that we can force the government to act on a matter like this. The inertia of the government in respect of this matter cannot be met by an opposition that is smaller in number, but at least we can present a viewpoint and ask once more that the government take action.

I do not know who is the acting minister or the acting acting minister of external affairs, but I take it—what is his portfolio—it is the Minister of Industry and so on. I can never keep up with the way you fellows change because you change like a shuffleboard. You go round and round, but I do not intend to deal with ministers without portfolio today. We do have a Minister without Portfolio from Saskatchewan in the chamber. All I can say to him is that I would have liked to see Saskatchewan represented by a minister rather than one without portfolio.

One begins to realize now why the government does not want international affairs discussed. There has been one fumble after another. The government created this smokescreen as a result of the Rossillon affair, and it has fumbled in respect of Biafra and Czechoslovakia. This is a government that sits, listens and wonders. At some time, it will have to act. We ought to have a debate on international affairs. The Prime Minister today brushed aside our questions. He often looks over at us as though he wondered how he ever got here. His attitude gives the impression that he wonders why we discuss matters like this when his government is in

office. My mind goes back to February when they threw the rule book out the window and the then Minister of Justice said in effect: We are your masters. The government had a minority then, but today it has a majority.

Mr. Nielsen: Heaven help us.

Mr. Diefenbaker: The masters of February have a majority today with the result that we are faced with the largest deficit in history. We now have millions and millions of bushels of wheat in storage, and no attempt is being made to face the problems of western Canada, or problems in general; yet taxes have been increased three times in the past two years. This is the government composed of all the whiz kids.

The Deputy Chairman: Order. It being five o'clock, in order for the house to proceed to the consideration of private members' business, shall I rise, report progress and request leave to sit at the next sitting of the house?

Some hon. Members: Agreed.

CAPE BRETON DEVELOPMENT CORPORATION

REFERENCE TO TABLING ANNUAL REPORT

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, before we proceed to Private members' business I wonder whether I might have the permission of the house to revert to motions to refer to the report of the Cape Breton Development Corporation which was tabled in English on April 23 of this year, and on September 19 of this year in French, referred to in the question asked by the hon. member for Cape Breton-East Richmond.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale): I think it might be of assistance to hon. members in the house to indicate that the report, being the annual report of the Cape Breton Development Corporation for the year ending December 31, 1967, was tabled in English on April 23 of this year, and may be found at page 841 of *Votes and Proceedings*. The French language version was tabled on September 19 of this year. In addition to that, at page 50 of *Votes and Proceedings*, there is the following notation:

Interim capital budgets of the Cape Breton Development Corporation for the year ending December 31, 1968 pursuant to sections 21 and 26 of the Cape Breton Development Corporation Act, 1967, together with a copy of Order In Council P.C. 1968-709 dated April 10, 1968, approving same. (English and French).

This is in respect of the matter the hon. member inquired about this morning.

Mr. Donald S. MacInnis (Cape Breton-East Richmond): Mr. Speaker, having regard to the question I posed earlier today, let me say that I was aware of this fact. I wanted to know when the government was going to make public this report in view of the requests by the people of Cape Breton. In addition, I am glad to have discovered that someone in the government has finally found out which minister is responsible and has come up with an answer that could not be provided this afternoon by the Prime Minister (Mr. Trudeau) and three of his cabinet colleagues.

• (5:00 p.m.)

Mr. Deputy Speaker: Order, please. It being five o'clock, the house will now proceed to the consideration of private members' business as listed on today's order paper, namely public bills, private bills.

COMBINES INVESTIGATION ACT

AMENDMENT TO EXTEND APPLICATION TO PROFESSIONAL SPORTS

Mr. Donald S. MacInnis (Cape Breton-East Richmond) moved the second reading of Bill No. C-2, to amend the Combines Investigation Act (professional sports).

He said: Mr. Speaker, I am reintroducing this bill. It was originally put forward by the then hon. member for Vancouver-Burrard on February 25, 1966. Because that hon. member is now present in the person of the Minister of Consumer and Corporate Affairs (Mr. Basford), I reintroduce the bill with all the confidence in the world that he will stand up and support it. I am also confident he will persuade his colleagues on the front benches and the back benches on that side of the house to support it.

I am sure the bill will have a speedy passage, because of the remarks of the Prime Minister (Mr. Trudeau) during the election campaign when he told an audience in British Columbia that every major city in Canada is entitled to an N.H.L. team. I realize that as far as T.V. returns are concerned, this will be painful. I know that an expansion of the N.H.L. to include Vancouver, Calgary, Saskatoon, Regina, Hamilton, Fredericton, Saint John, Halifax and St. John's, Newfoundland, will be quite a task. But the Prime Minister

thinks this should be brought about. In view of the fact that the member who originally introduced this bill is now a minister, and the Prime Minister is very much in support of it because he also indicated his intention to carry out an investigation of professional sport. I fully expect the bill to be passed this afternoon.

As I have said, the bill was originally introduced by the Minister of Consumer and Corporate Affairs and has received the support of the Prime Minister, according to the statements he has made. The purpose of the bill, of course, is to bring professional sports under the Combines Investigation Act. I do not expect the minister to support something that is in any way different from the bill he introduced, and therefore I shall quote the remarks of the minister as reported at page 1779 of *Hansard* for February 25, 1966:

> This bill will amend the Combines Investigation Act to provide that those who conspire or combine together to limit or restrict the opportunity in Canada of persons to participate in or observe any professional sport and which operates against the public interest shall be guilty of an offence and liable to imprisonment for two years.

With those words, Mr. Speaker, I conclude my remarks and look forward to receiving the full support of the Prime Minister, the Minister of Consumer and Corporate Affairs, his colleagues in the cabinet and government backbenchers.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I rise to support this excellent bill, No. C-2, to amend the Combines Investigation Act to include professional sports within the purview of the act. I foresee very good prospects for its ultimate success, because the history of this measure is that it is supported by at least three of the parties represented here. It was introduced by a member of the government, the then hon. member for Vancouver-Burrard, on two previous occasions, as Bill No. C-132 in 1966 and as Bill No. C-99 in 1967. Also, as we have just heard, the bill was introduced by the hon. member for Cape Breton-East Richmond (Mr. MacInnis). Therefore, it apparently enjoys the almost unanimous support of this house.

As a member from a riding in the greater Vancouver area, I have a particular reason for being sensitive about the way professional sports franchises are awarded. This is not only because recently, in spite of substantial federal and local investment in the most modern sports facilities in Canada, the $6 million Coliseum in Vancouver, that city has twice been turned down by the N.H.L. in its request for a major hockey league franchise. The reason given originally for this refusal was that Vancouver had no suitable rink. This reason is no longer pertinent. The specific reason for the latest refusal escapes me at the moment, but I think it revolved around the proposed ownership of the team and the franchise applicants, who were somehow undesirable.

We of Vancouver also recall that some 15 years ago our first request to have a Canadian football league franchise was rebuffed. Our subsequent application was successful. However, I will not dwell or elaborate upon B.C.'s professional football team. In any event, hockey fans where I live are being denied the opportunity—and I quote from the bill—to participate or observe professional hockey as it applies to the major league. Some people where I live are unkind enough to say that the lower mainland people cannot watch first-rate hockey because a three-way split of television revenue would obtain, instead of the present rather comfortable Toronto-Montreal arrangement of lucrative television proceeds.

The former hon. member for Vancouver-Burrard, now the hon. member for Vancouver Centre, had this to say when introducing his bill in 1966. I shall not read the same portion of his remarks as was read by the hon. member for Cape Breton-East Richmond. Further down on page 1779 of *Hansard* for February 25, 1966, the then hon. member for Vancouver-Burrard is reported as having said:

> While this amendment includes all professional sports it is immediately directed at the National Hockey League whose president, Mr. Clarence Campbell, has made it clear that its owners are interested only in their own welfare and not the public interest.

I am certain that members of my party would agree wholeheartedly, as I do, with this statement. Since it was pointed out previously that the matter of combines legislation comes under the direct authority of the hon. member who previously introduced the bill, the now Minister of Consumer and Corporate Affairs, the amendment before us should proceed with the speed of lightning.

This is a very fortunate private member's bill indeed, Not only was it originally sired by the minister directly concerned, but it has been adopted by the hon. member for Cape Breton-East Richmond, and I would be pleased to act as its godfather. But if this were not enough, at least two other ministers of the Crown have spoken in positive terms about the sentiments expressed in the bill. On

June 4, 1967, the then registrar general, now the Minister of Justice (Mr. Turner), was reported in the Toronto *Star* as follows:

> Ottawa to rule 'pro' sports Turner says.
> Registrar General John Turner said in the commons yesterday the government intends to put professional sport under the regulation of federal authority.

The article further says:

> He said he hoped the Combines Investigation Act can be amended soon to include professional sport.
> Today, an official in the combines branch revealed that the government move was touched off by Vancouver's failure to get a National Hockey League franchise. When the N.H.L. doubled in size this year by adding six teams, the new franchises went to U.S. cities.

One year later, on June 4, 1968, the government re-emphasized its position when the Prime Minister (Mr. Trudeau) stated during an election campaign visit to Selkirk college in Castlegar, British Columbia.

> "The federal government must do more for sports," he said. New N.H.L. franchises have gone entirely to the United States instead of partly to Canada, while U.S. baseball's national league has awarded a franchise to Montreal.
> Every major Canadian city is entitled to an N.H.L. team, the Prime Minister said.

• (5:10 p.m.)

It appears then that we have what amounts to an all party agreement that professional sport is indeed a big business and that clearly it belongs within the regulatory conditions of the Combines Investigation Act.

There is one other aspect of the bill to which I wish to turn my attention for a moment, and that is the phrase "restrict the opportunity of Canadians to participate in". I should like to put the emphasis on the words "to participate in" professional sports because I believe that it expresses the personal freedom aspect of the bill as opposed to the public interest aspect which I have just discussed.

With the growth of television sport programs and the attendant commercialism, an inverse relationship is developing whereby major leagues are growing at the expense of the minor leagues. In the short run there are fewer opportunities for athletes to earn their living by doing things they do best and like to do best.

Since there are fewer opportunities for professional athletes to learn their trade in independently owned minor leagues and teams, there is a consequent limiting of a player's freedom to sell his services to his own best economic advantage. Particularly pernicious is the current vertical integration

of the sports industry which allows an "owned" player to be consigned to the minor leagues—on occasions permanently and without his consent—at a time when other major leagues could use him and he would like to play for them. This is feudalism of the worst possible kind and a direct invasion of the rights and freedoms of an individual.

The Carl Brewer amateur reinstatement case was a recent example of the power of the N.H.L. owners, but most fans will remember how early attempts at forming a hockey players union—a right now given freely to other citizens in an enlightened age—were crushed by the moguls.

Questions about players' contracts have been raised repeatedly in this house, so it is not a matter of small concern or even a new one to the people of Canada. Just over a year ago the N.H.L. governors finally accepted, after a difficult fight, a players association, not a union but a fairly innocuous sounding thing called an association, to fight for players' rights and contracts.

The fight is far from won, and that is why we need to pass this bill as it is, paying special attention to the phrase "the right to participate in professional sports" for the sake of the individual athlete. I am not speaking now of the star or the exception, but rather of the average athlete whose professional life is exceedingly brief—it is even worse than a politician's—and much of whose time must be devoted to his profession so that often little time is left over for him to prepare for another career when his playing days are over.

In conclusion, I want to make two points. There are powerful lobbies constantly at work both here and in the United States to exempt professional sport from the anti-trust legislation. Over the years the U.S. congress, especially in the 1950s, has been bombarded to exempt professional baseball, football and hockey from the anti-trust legislation, and many attempts have nearly succeeded. In 1961, the sale of television rights was exempted. Senate judiciary committees in the United States have made anti-trust recommendations relating to sport. I cite these cases to indicate that a large section of the people in the United States and their elected representatives have had reason to believe that professional sport is a big business, a virtual monopoly, and needs greater public control.

The final point I would like to make in support of the bill is to say that I think we can take one further step along the road to

encourage greater interest and accomplishment in Canada's young athletes and thereby stimulate Canadian pride inspired by such people as Barbara Ann Scott, Harry Jerome, Nancy Green and Jean Belliveau. "Champions", says Nancy, "provide the impetus to get people participating at the grass roots level".

I commend the bill as a measure to bring champions and major sports to more people in Canada sooner, to encourage our athletes to stay in Canada and to receive recognition by playing for Canadian teams before live Canadian audiences. May I also remind hon. members of the statement made by the Minister of Health and Welfare on August 14, as reported in the Toronto *Star*, when speaking about the new sport task force when he said "I can't really see how the franchises come within the terms of reference".

I am certain that this bill will ensure that individual and public interests are well cared for. I, therefore, believe we should pass the bill with all possible haste.

Mr. Hyl Chappell (Peel South): Mr. Speaker, while I admire the desire and the attempt of the mover and seconder of the bill to break the hold of these so-called sports barons over their athletic serfs, or to put it another way, to loosen their tentacles from the youthful players in the hockey farm systems, I must speak against the bill because in my opinion it is not possible to accomplish the desired result by a public bill. Nor do I believe it is wise to consider a sport amendment to the Combines Investigation Act at a time the whole field to which the act relates is under intensive study and review.

Since February 29, 1966, the date referred to by the hon. member for Cape Breton-East Richmond (Mr. MacInnis), this is what has happened. In July, 1966, the late Hon. Guy Favreau, former president of the privy council and the minister then responsible for the administration of the act, announced that the whole subject of consumer affairs, including combines and restraint of trade, was being referred to the economic council for a comprehensive review and for a report. He also said that any amendment to the legislation should be in keeping with the fundamental philosophy of the act and that it would be unwise to enact temporary or piecemeal amendments.

In March of 1968 the Minister of Justice (Mr. Turner), then minister of consumer and corporate affairs, stated in the house that the prohibitions in the Combines Investigation Act did not cover the service factor of the business community under which sports would be classified but related only to articles which could be the subject of trade or commerce, their transportation, storage or rental. He also asserted the desirability of obtaining a possible new jurisdiction, namely civil jurisdiction, for enforcement of the act under the trade and commerce head of section 91 of the British North America Act. At that time he pointed out that the specific subject, as referred to the economic council, was still under consideration by them.

The director of investigation and research, under the act, in his report tabled in the house, stated that a research study into service industries, at present not within the scope of the act, including professional sports, was in progress. At present, parliamentary authority to legislate in this area rests upon jurisdiction in the criminal law field. Because of the nature of the enforcement, the act appears criminal in purpose. However, it is well recognized that at least to date the purpose of the legislation is an economic one, namely, to provide competitive behaviour and thus to maintain free and open competition as a stimulus to the optimum use of resources in a free enterprise system.

It may very well be that the economic council may find a concurrent basis for authority under the trade and commerce head of section 91 of the B.N.A. Act which would then allow civil enforcement. In my opinion it would be much better if those entrusted with the enforcement of the act had the alternative of proceeding by civil action, leaving to criminal proceedings only the most flagrant violations.

In a criminal prosecution, the proposed indictment usually goes before a grand jury which can throw it out, and sometimes does. If the grand jury allows the matter to proceed, a criminal trial follows. The criminal process is long and expensive. Quite often the prosecution is not successful because the issues are numerous and complicated and the onus of proof is heavy in a criminal case.

While I was acting for the prosecution in a case under the Combines Investigation Act, I was struck by the time and expense necessary to prepare to prove all the details required in this type of criminal prosecution. I expressed the view at that time, and do so again, that breaches of the act could, in most cases, be dealt with more efficiently and with less expense in a civil action.

Combines Investigation Act

• (5:20 p.m.)

What are the advantages, Mr. Speaker, of proceeding in a civil action? First, there is an examination for discovery, which is like a pre-trial examination of the other side under oath. At this time admissions can be obtained as to the great majority of the facts and all of the documents are produced and admitted. This would narrow the issue and reduce the number of witnesses at trial. This in turn would cut the length of trial and expense. For years these lengthy proceedings under the Combines Investigation Act, proceeding as they have on a criminal basis, have been congesting our courts and slowing the judicial process. The average length of time for one of these proceedings is from one to two months.

One might ask how a civil procedure could be effective when we cannot provide for punishment by fine, as in a criminal case. We must remember, however, that in civil proceedings we have the injunction or restraining order which is most effective. If, after the injunction is granted, the breach of the act continues, an application can be made to have the directors and officers of the corporation committed to jail or fined for contempt of court. This can be far more effective in enforcing the act than a fine against the corporation, which is usually paid out of the corporate treasury and does not cause any hurt to the person who caused the offence. Further, in a civil case the offending corporation would be required to pay the legal costs of the proceedings against it, which in many cases would exceed the amount of the average fine imposed.

Another possibility is the consideration of the American system where an independent commission issues a cease and desist order, leaving it up to the alleged offender to show that the order should not stand.

Section 32 of the act to which the proposed amendment would be attached, and under which most of the prosecutions are brought, reads as follows:

(1) Every one who conspires, combines, agrees or arranges with another person:

(a) to limit unduly the facilities for transporting, producing, manufacturing, supplying, storing or dealing in any article,

(b) to prevent, limit or lessen, unduly, the manufacture or production of an article, or to enhance unreasonably the price thereof,

(c) to prevent, or lessen, unduly, competition in the production, manufacture, purchase, barter, sale, storage, rental, transportation or supply of an article, or in the price of insurance upon persons or porperty, or

[Mr. Chappell.]

(d) to restrain or injure trade or commerce in relation to any article,

is guilty of an indictable offence and is liable to imprisonment for two years.

I emphasized the word "unduly", Mr. Speaker, because it appears in the first three paragraphs (a), (b) and (c). There have been many judicial interpretations of the first three clauses. The Supreme Court has stated that section 32 is designed to protect the public interest in free competition, and that it is a crime to conspire, combine, agree or arrange to unduly prevent or unduly lessen it. The statute proceeds upon the footing that the preventing or lessening of competition to the prohibited degree is in itself an injury to the public.

I do not know of any prosecution under paragraph (d) to which the proposed paragraph (e) is similar in thought and wording. In the first three paragraphs the word "unduly" is used, and this is a guideline for the courts. But under paragraph (d) there is no guideline and no words of limitation. The words are so wide as to be practically meaningless.

The proposed amendment, which if agreed to would be paragraph (e), appears to follow the thinking in paragraph (d) and simply states that to limit or restrain persons from participating in or observing sport to the detriment or against the interests of the public is an offence. A prosecution under this paragraph would indeed be most difficult, and I feel would not accomplish the result sought.

On the other hand, Mr. Speaker, as proposed paragraph (e) reads it is conceivable that a charge could be laid against a coach for benching a player or against a refereee for suspending a star player for two or three games, particularly if this occurred during a national play-off. Is that what we seek to have included?

In any event, Mr. Speaker, the proposal is out of step with the philosophy of the act. It does not deal with maintaining competition among employers of athletes as with other employers covered by the act, but rather seeks to protect the rights of people to participate in or observe a professional sport. Moreover, Mr. Speaker, if the act is to be widened to include services, as the Economic Council and director of investigation and research under the act may very well conclude, it may be that many other services should be covered,—I can think of many but I shall not name them—in which event all of these new sections should be drafted together

to conform with the over-all philosophy of the act.

In conclusion, Mr. Speaker, while I support what the mover and seconder of this bill and the earlier bill wish to do, I think it unwise to amend the act in this manner when it is most doubtful that it could bring about the desired result. The research that is going on will probably produce a far more effective and efficient procedure.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I rise to speak on this bill because my interest in it arises from the fact that it is an attempt to break open the combines act and to bring in a new type of offence or new type of matter which is not there now. As has been mentioned by other hon. members, the combines act presently covers offences relating to the sale of or trading in commodities; it does not deal with the sale of or trading in services.

For some time now I have supported movements to change the act to cover services. This bill is an attempt to amend the combines act to bring within its terms professional sport. While I support the thought and principle behind this attempt, I think it would be bad legislation if we amended an act such as this, or any other act, merely to bring in individual instances each time there was a complaint. This time it might be professional sports; another time it might be the laundry business or business consultants, and so on. A public service industry might be involved. I submit our legislation would be much improved if we amended the Combines Investigation Act to cover the sale of services as well as the sale of commodities.

• (5:30 p.m.)

Some hon. members of the house and many members of the public wonder why it is an offence to restrain trade and fix prices with respect to the sale of commodities when it is not an offence to fix prices with respect to the sale of services. There seems to be no good reason for the distinction. Looking at the history of the act we see that when it was first passed the main problems related to trade in commodities and not to services. Then service businesses were operated under small proprietorships in local shops, and so on, and competition was intense. Now large syndicates are in the service industries. Appropriately, as mentioned in this bill, one must include all professional sports, which are very big business indeed.

I would be favourable to amending the Combines Investigation Act but I want the amendment to bring in not just professional sports but service industries generally, included in which are the professional sports industries.

We are told that the director of investigation and research for the combines department often receives complaints related to combines in service industries. Since his authority is limited, he has not been able to take action. In some instances where the applicability of the act is uncertain, that is, in gray areas, there have been actions before the courts in cases where services have been tied to the sale of commodities. For instance, there is the well known case of the Queen *V.* Beamish Construction, which went to the Ontario Court of Appeal. In this case different construction men combined together before submitting construction bids to the Government of Ontario, I believe. They were charged under the Combines Investigation Act and the Ontario Court of Appeal decided that since these men were to build something for the Ontario government they were combining to sell services; and the sale of services did not come under the act. Therefore, what happened was found to be not illegal.

There is also the case of the Queen *V.* Canadian Coat and Apron Supply, in which a company was charged with violating the provisions of the Combines Investigation Act in that it was restraining trade with respect to the supply of towels and laundry services to different businesses. That case was dismissed because the court found that the company performed a service; and service industries, even in instances where commodities were involved, were not covered by the act.

I think, therefore, that the act ought to be amended to cover service industries, since there may be a restraint of trade which involves services as well as commodities. I submit that this ought to be considered. As the hon. member for Peel South (Mr. Chappell) said in his speech, the entire Combines Investigation Act and all pertinent combines legislation has been referred to the economic council for consideration and recommendation.

A major complaint against the Combines Investigation Act is that there is confusion in the minds of many about its true principle or purpose. Is the Combines Investigation Act designed to attain economic goals or is it principally criminal legislation? Many, including economists and experts in this field,

feel that the Combines Investigation Act, in its concentration on restraints of trade, concentrates too much on the fact of combines rather than on what may be good for the economy. It has been suggested that we ought to decide whether a combine or a monopoly is good or bad for the country. In drafting or applying such legislation consideration ought also to be given to the state of employment in the economy, to the balance of payments, to the effect that any particular industry has on our foreign trade, to the formation of domestic capital, to the question of the ownership of Canadian industry and to regional development and economic planning. All those factors ought to be taken into consideration before we decide whether a combination or monopoly is illegal. The present act does not allow for these considerations.

Mr. MacInnis (Cape Breton-East Richmond): Would the hon. member permit a question? There has been reference to the fact that this bill, in referring only to professional sports, is narrow. Before others of the hon. member's party attempt to talk the bill out, does the hon. member not think it might be a good idea to allow the hon. member who originally introduced a similar bill, the hon. member who is now the Minister of Consumer and Corporate Affairs, Mr. Basford to say whether he now supports the principle of the bill he previously introduced.

The Acting Speaker (Mr. Béchard): Order, please. If the hon. member has a question he ought to ask it now.

Mr. MacInnis (Cape Breton-East Richmond): With respect, sir, I submit that the Chair ought to govern the conduct of hon. members according to the rules of the house. I do not think it is the duty of the Clerk of the house to interfere with proceedings in the house or to call to the attention of the Chair what is happening in the house.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Notre-Dame-de-Grâce.

Mr. MacInnis (Cape Breton-East Richmond): On a point of order, Mr. Speaker—

Mr. Allmand: Mr. Speaker, I have the floor. I heard the question and am willing to answer it. The hon. member for Cape Breton-East Richmond—I preferred the name of the old constituency, Cape Breton South—asked me, I think, if I should like to see the minister introduce a bill similar to the one I am suggesting ought to be introduced. I say, yes. I feel that perhaps—

[Mr. Allmand.]

Mr. MacInnis (Cape Breton-East Richmond): On a point of order, Mr. Speaker. I said nothing about having the Minister of Consumer and Corporate Affairs introduce an amendment to the bill.

The Acting Speaker (Mr. Béchard): Order, please. There is no point of order.

Mr. MacInnis (Cape Breton-East Richmond): On a question of privilege, Mr. Speaker, the hon. member is not entitled to put words I did not say into my mouth. I said nothing about the introduction of any bill by the minister. I asked whether the minister would support the bill he originally introduced. I believe that bill was allowed to carry and, as I recall, there were objections at that time—

The Acting Speaker (Mr. Béchard): Order, please.

Mr. Allmand: Mr. Speaker, if I had had a chance to look into that bill when it was introduced my criticism of it would have been similar to my criticism of the hon. member's bill this afternoon.

Mr. MacInnis (Cape Breton-East Richmond): Is that so?

Mr. Allmand: I have great respect for the Minister of Consumer and Corporate Affairs. I know that when he introduced his bill he was so taken up with the situation in Vancouver at that time that he did not look at other aspects of the matter. I know that today the minister takes a broader view.

• (5:40 p.m.)

Mr. MacInnis (Cape Breton-East Richmond): Oh.

Mr. Allmand: The hon. member had a chance to speak this afternoon. He took that opportunity and now I wish he would remain quiet while the rest of us are attempting to make our speeches.

Some hon. Members: Hear, hear.

Mr. Allmand: I believe that now that the hon. gentleman is a minister and has responsibility for this legislation he would agree that it would be better to make provision for a broader amendment which would include all the service industries, among them professional sport. In fact, I believe the hon. member for Cape Breton-East Richmond would also approve of this suggestion. I notice he took up the exact wording used by

the minister when he drafted this bill; there was not much originality shown on his part. But he supports the principle, and I believe he would also support a broader amendment which would cover the service industry generally.

When I was interrupted I was discussing the need for an even more drastic amendment to the combines legislation because, as I have said, the present legislation does not consider the ultimate goal which a combines act is intended to achieve; it does not consider a situation in which combines and monopolies might be in the best interest of the economy. In Britain, in the common market countries and in Australia, changes have recently been made in the combines legislation to allow these factors to be taken into consideration. These countries have legislation similar to our own. Restraint of trade is illegal, but they do provide, now, for a situation in which the establishment of a monopoly might work to the benefit of the economy as a whole by speeding industrial growth, helping the employment situation, advancing foreign trade, and so on.

A number of studies have been made on this point including a most important one by V. W. Bladen and S. Stykolt who wrote a paper entitled "A Combines Policy in the Public Interest". They stated that the Canadian combines policy had paid too much attention to the form and too little to effects; that competition, as it had been interpreted by those administering the policy, had seemed to be an end in itself rather than a means to an end, that end being a well functioning economy delivering the maximum amount of goods and services at a minimum real cost.

In other words, what we need is a complete revision of this act, taking into consideration the part which combines might play in helping a society achieve its economic goals. The economic council has been asked about these things and we shall have to await a report. In the meantime, with respect to this bill, let me say I would support a measure which would include professional sport but that if we are to amend legislation as important as combines legislation we should not do so piecemeal but include an amendment which would cover all the service industries.

Mr. Ray Perrault (Burnaby-Seymour): I commend the sponsor of this bill. I know he has a great personal enthusiasm for this measure, an enthusiasm which is shared by many members of this house, particularly, I think, by some of the members from the province of British Columbia.

We have reached a point where professional sport, indeed all the service industries, should be made subject to combines legislation. This amendment is a good amendment but it does not go far enough. I am confident that the report of the economic council will propose that regulations be more far reaching than the type anticipated in this amendment. Professional sport in this country, now growing at a phenomenal rate, should be regarded in the same light as any other business enterprise. Cartels in professional sport are just as wrong as cartels which operate in restraint of trade and against the public interest in any other sector of the economy. Yet some of the professional promoters, particularly the hockey moguls in Canada today, attempt to suggest to us that their sole interest is to provide leisure-time entertainment for the working people of Canada and that profit is the furthest thought from their minds.

They claim they are not in business, that they are sportsmen, and that because they are sportsmen their activities in the area of professional hockey and football should not be made subject to the normal regulations which apply to industry in Canada. They say they are not in sport for money; they just want to provide lots of fun for Canadians on Saturday nights. And when it is suggested that they should be made the subject of investigation they throw up their hands in horror and say they are being dealt with unfairly and that they are victims of discrimination.

The plight of the hockey barons in Canada today is somewhat less tragic than the plight of little Eva hopping about on the ice floes. The National Hockey League is big business in every sense of the word. Last year Maple Leaf Gardens Corporation netted a profit of $900,706. In the six months ending February 29, 1968, they netted $735,702. The Canadian Arena Corporation of Montreal in the year ended June 30, 1967, realized profits amounting to $487,658 and in the year ending June 30, 1966, $506,233. The current market price of Maple Leaf Gardens stock, one of the hottest on the market at the present time, is $32.88, today and the Price of Canadian Arena Corporation stock is currently $355.00.

These are interesting figures in relation to an industry which says it is not really in business at all. It is estimated that the philanthropic triumvirate made up of Stafford Smythe, Harold Ballard and John Bassett

have seen their extensive holdings of Maple Lead Garden Corporation stock increase in value five times since they purchased it, and on the basis of the $3.10 a share dividend declared last year each of them or their companies trotted home with half a million dollars in dividends alone. I suggest there are many companies in Canada governed by combines legislation which failed to match this heady and scintillating performance. Yet we are told professional hockey is not big business in Canada.

Ask the people of Vancouver what they think about the N.H.L. and whether or not it is big business. Two years ago our great Canadian game of hockey pioneered new territories. It was expanded. It was not a case of "go west, young man." It was "go south to the United States, where the action is." Did Vancouver, or Calgary, or Winnipeg get a franchise? Were the Maritimes even considered? No! It was the "hot" hockey cities of Pittsburgh, St. Louis, Philadelphia, Oakland, Los Angeles and Minnesota which were awarded franchises. Vancouver, with the finest hockey arena in the world, seating over 15,000, was left out in the cold.

• (5:50 p.m.)

Forget about the fact that Vancouver is a great sports town. Forget about the fact that even with a somewhat indifferent football team we can fill Empire Stadium with 30,000 fans for every home game. Even forget about our history as a former Stanley Cup city, for indeed we were competing for the Stanley Cup at one time. Forget about our contributions in men and money to the national game of hockey. Forget all about that. The franchises went to the United States, to some centres where the fans could not care less, where they did not know what was taking place on the ice. Oakland, California, had 1,500 fans for one game, watching a listless team, in a centre filled with bewildered, dispirited people.

Why was Vancouver left out? Mr. Clarence Campbell and the directors of the N.H.L. said they did not think the quality of the Vancouver presentation was adequate. Mr. Speaker, the person who was going to help to run hockey in Vancouver was Foster Hewitt. But they said that he did not know enough about hockey. The fact is not that Vancouver lacked experienced management. The fact is that Mr. Stafford Smythe came to Vancouver and he wanted the people of Vancouver to give him, free of charge, a vast chunk of real estate in downtown Vancouver where he said he would erect a hockey stadium. He wanted, in effect, a licence to print money. He, was very upset at the ingratitude of the natives of British Columbia when we rejected his proposal.

More important, these sportsmen, these philanthropists of the N.H.L. did not want to split up the $2.5 million that they get each year from television rights. They did not want to divide it three ways with another Canadian club. More than that, Mr. Speaker, when they looked at the television possibilities of those United States "markets" they fairly drooled, and any suggestion that they wanted to advance Canada's national game in other Canadian centres went completely out the window.

What do these Canadian sports bosses want this year? There are record profits at the Gardens, and record profits at Montreal, but now they want $4 million for the television rights. They have not given any indication that they want to divide this money with new clubs in the Maritimes or with clubs in Vancouver, Winnipeg, Calgary, or any other centre. In Maple Leaf Gardens seat prices are going to be boosted again. This is not bad for an organization which says it is in a non-profit business, that it is not really in business at all, that it is really 'just there to please folks". British Columbia has been patted on the head. They say that if we stand in line, if we watch our P's and Q's and if we are loyal to N.H.L. standards then, when they expand again, we just might get a franchise. I tell you this, Mr. Speaker, the people in western Canada are not holding their breaths.

Then, there are some people who say that this is a business which should not be regulated. What about players' contracts? Here again the N.H.L. is riddled with restrictions on freedom. Where else in the world would you find a situation where a hockey player, when he decides to retire, cannot find work in any other hockey organization, even upstairs sweeping the floor, unless he gets permission from his former owners?

Take the case of Red Kelly, a former member of this house. What happened to Red? You read about it. Most of you sports fans know. He retired from the Leafs and wanted to coach the Los Angeles Kings. The Leafs management told him, "You cannot get that job with the Los Angeles Kings unless we make a deal with the Los Angeles club." The fact is that under the feudal sports baronies established in the National Hockey League, Red Kelly couldn't sell popcorn for the Los Angeles Kings unless he got the approval of Stafford Smythe and his pals.

There are still some people in Canada who want to defend the status quo. They say it is the same all over the world. It is not, Mr. Speaker. Take the case of the Baltimore Colts' Ray Berry, an outstanding player for the Baltimore team. The day he retired he was hired by the Dallas Cowboys as end coach. He had his new job the following day. There were no deals, no feudal property rights involved. He was a free man. In England soccer players are often sold by their clubs. "Transfer" is the word they use in England, and the price may go up to $300,000. What happens when a player is transferred from one team to another in Britain where they are very zealous about the protection of human rights and freedoms? The player is called in and asked if he wants to be transferred. If he says yes he gets a percentage of the transfer fee. In Canada, if an N.H.L. player does not report to the club to which he has been sold then that is the last time he puts on skates in Canada or anywhere else.

How long are we going to tolerate a situation like this in Canada, let alone the matter of the profits? The Profits which are being gathered by these organizations are not subject to regulations affecting normal business. Some sports writers have said that N.H.L. players are well paid. Some of them are, but others of real talent are languishing in the minors, caught in that feudal web where their rights are restricted, a web which prevents some of them from making the N.H.L. with some other team. Clubs should not be able to send players to the minors if other N.H.L. clubs can use them.

I believe that players should be tied to specific clubs only for the length of their contracts instead of being the lifetime property of the clubs with which they sign. In any other business, and hockey is big business, if an employee works with a major company and fulfils his obligation to that company, he can go to work in an ancillary field. Why are civil rights denied to so many of our professional athletes?

Professional sport must be placed under federal regulation, but this should go beyond professional sports. It should also apply to service industries, and we should make sure that the kind of legislation which we pass in the House of Commons is going to be air tight, is going to be water tight, that it is not going to be possible for some of these professional sports promoters, making millions of dollars as they do each year, to find a loophole through which they can drive wedges to the detriment of the public. The sooner this is done the better, especially in view of the substantial increase in leisure time which will result in expansion of professional sports of all kinds.

In conclusion, Mr. Speaker, the Combines Investigation Act must be amended to provide that those who conspire to combine, to limit, or restrict the opportunity in Canada of persons to participate in or observe any professional sport, and which operate against the public interest, shall be guilty of an offence and appropriate action taken. I look forward to the recommendations which will come from the economic council, and let us hope the government acts on a broad scale, not on the worthy but limited scale suggested in this bill.

The Acting Speaker (Mr. Béchard): Order. The hour appointed for the consideration of private members' business has now expired.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Before you announce the adjournment of the house, Mr. Speaker, could I just confirm for the benefit of hon. members that, subject to the arrangements we made earlier this day about the possibility of the house sitting later on Monday, we will continue with the debate on interim supply.

The Acting Speaker (Mr. Béchard): It being six o'clock p.m. this house stands adjourned until Monday next at 2.30 in the afternoon.

At 6.01 p.m. the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, September 30, 1968

The house met at 2.30 p.m.

EXTERNAL AFFAIRS

BIAFRA—TABLING OF CORRESPONDENCE WITH UN SECRETARY GENERAL

Hon. Mitchell Sharp (Secretary of State for External Affairs): The government has now received a reply to its letter to the Secretary General of the United Nations. I should like to table copies. In view of the interest shown in this subject I wonder whether the house would wish to have this reply, together with the original letter which was tabled in the House of Commons earlier, printed as an appendix to *Hansard*.

Mr. Speaker: Does the house wish these documents to be printed? Is it agreed?

Some hon. Members: Agreed.

[*Editor's Note: For text of letters referred to above, see appendix.*]

TRADE

PLUTONIUM—ANNOUNCEMENT OF SALE TO FRANCE

Hon. Mitchell Sharp (Secretary of State for External Affairs): Officials of Atomic Energy of Canada Limited and the French Commissariat à l'Energie Atomique have for some time been engaged in discussions in order to work out satisfactory arrangements for the sale to France of plutonium produced in the Canadian nuclear power reactors at Rolphton and Douglas Point, Ontario. These arrangements have been completed and have now been approved by both the government of France and the government of Canada.

The French Commissariat à l'Energie Atomique has undertaken intensive research in the development of plutonium burning, fast breeder, nuclear power reactors. Although France is able to fill some of her requirements for plutonium domestically, additional quantities are required in order not to delay the development program. Current Canadian programs, on the other hand, do not fully utilize the plutonium being produced in our reactors. Discussions between the French Commissariat and A.E.C.L. on the possible supply of plutonium from Canada, therefore, came as a natural outcome of the collaboration between the two government agencies.

It is a long standing policy of the Canadian government that nuclear materials be exported from Canada for peaceful purposes only. With the full agreement of the French government it has been decided that the plutonium which will be used in the French civil nuclear program will be transferred to France under the provisions of the agreement between Canada and the European Atomic Energy Community, of which France is of course a member. This agreement provides for the application of EURATOM safeguards, and for procedures whereby Canada may obtain assurance that the Community's safeguards and control system is satisfactory and effective for any material transferred under the agreement from Canada to the member states of EURATOM. The role is fully compatible with Canada's signature of the test ban treaty and of the NPT.

I should also like to point out that the agreement concluded between Canada and India in 1963 regarding the construction of a nuclear power station in Rajasthan, India, similar to the Douglas Point nuclear power station, provided for reciprocal bilateral safeguards on the Rajasthan and Douglas Point nuclear power stations and any special nuclear materials produced in them. The government of India has therefore been consulted regarding the safeguards arrangements to be applied on transfers to France of plutonium produced in the Douglas Point nuclear power station.

Mr. R. Gordon L. Fairweather (Fundy Royal): The statement just made by the Secretary of State for External Affairs is interesting. It would be better, of course, if spokesmen for other parties had been given some warning so that useful comment could be made.

I am sure this party is delighted to know that emphasis has been placed on non-military use, and also that there is provision for full inspection. I hope France has been urged to sign the non-proliferation treaty.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we should simply like to congratulate the government on having taken

Proposed Legislation

a firm stand in connection with these arrangements, namely its insistence on the provision that the plutonium we are to export will be used for peaceful purposes only.

While I am on my feet I think it might be useful to suggest once more to this minister and to all ministers that when statements of this nature are to be made on motions it would be an act of courtesy if copies were provided to spokesmen of opposition parties.

• (2:40 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we are happy also to hear the minister's statement to the effect that the plutonium transaction with France has been concluded. It is true that, for some years, the Canadian government's policy had been to refrain from any transaction if that metal was to be used for war purposes. But since the French government gave the assurance that this plutonium will be used for peaceful purposes, in France as well as throughout the world, I feel that the Canadian government deserves to be congratulated on its firm stand.

Like those who spoke before me, I would ask the minister concerned and his cabinet colleagues to let us know before hand when they have important announcements to make to the house in order that we may be able to express more easily that we have to say on those various subjects.

ELECTORAL BOUNDARIES READJUSTMENT ACT

PROPOSED CHANGE IN NAME OF GLENGARRY-PRESCOTT CONSTITUENCY

Mr. Viateur Ethier (Glengarry-Prescott) moved for leave to introduce Bill No. C-106, respecting the Electoral Boundaries Readjustment Act.

Motion agreed to and bill read the first time.

[*English*]

CANADA ELECTIONS ACT

AMENDMENT RESPECTING POLITICAL AFFILIATIONS ON BALLOT PAPERS

Mr. David Anderson (Esquimalt-Saanich) moved for leave to introduce Bill No. C-107, to amend the Canada Elections Act (political affiliations of candidates on ballot papers).

Motion agreed to and bill read the first time.

[Mr. Knowles (Winnipeg North Centre).]

PUBLICATION OF STATUTES ACT

AMENDMENTS RESPECTING FORM OF PRINTING

Hon. John N. Turner (Minister of Justice) moved the first reading of Bill No. S-2 (from the Senate), to amend the Publication of Statutes Act.

Motion agreed to and bill read the first time.

HISTORIC SITES AND MONUMENTS ACT

AMENDMENTS RESPECTING BOARD MEMBERSHIP, REMUNERATION, ETC.

Hon. Robert K. Andras (for the Minister of Indian Affairs and Northern Development) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Historic Sites and Monuments Act to provide for membership on the board of an officer of the national museums of Canada, and to provide also that the remuneration paid to members of the board appointed by the Governor in Council for attending at meetings or to other business of the board shall be fixed by the Governor in Council.

Motion agreed to.

AGRICULTURE

PREVENTION OF INTRODUCTION OR SPREAD OF PLANT PESTS

Hon. H. A. Olson (Minister of Agriculture) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to prevent the introduction or spreading of pests injurious to plants, to provide therein that the Governor in Council may make regulations in connection therewith, *inter alia*, providing for the establishment of inspection and treatment centres and quarantine stations, the conduct of pest surveys and the treatment of infested areas, and the awarding of compensation for matter destroyed or prohibited or restricted from sale, and to provide for appeals from compensation awards.

Motion agreed to.

COMPENSATION FOR CONTAMINATION BY PESTICIDE RESIDUE

Hon. H. A. Olson (Minister of Agriculture) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to provide compensation to farmers whose agricultural

products are contaminated by pesticide residue, and to provide for appeals from compensation awards.

Motion agreed to.

ANIMAL CONTAGIOUS DISEASES ACT

AMENDMENTS RESPECTING COMPENSATION, APPEALS, ETC.

Hon. H. A. Olson (Minister of Agriculture) moved that the house go into committee at the next sitting to consider the following resolution, which has been recommended to the house by His Excellency:

That it is expedient to introduce a measure to amend the Animal Contagious Diseases Act to remove from the act the amounts of compensation specified for horses and cattle slaughtered pursuant to the act, and to permit the Governor in Council to prescribe maximum amounts for such compensation; to provide also for an appeal by the owners of animals slaughtered where no compensation or less compensation than the maximum prescribed is awarded to the owners.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CHEESE EXPORT INCENTIVE SUBSIDY

Question No. 14—**Mr. Caouette:**

1. Does the Department of Agriculture pay an export incentive subsidy to cheese producers in Canada?

2. If so, what was the total amount paid in each province in the last three years?

Hon. H. A. Olson (Minister of Agriculture): 1. No. The Canadian Dairy Commission pays an export subsidy on cheddar cheese exported to Britain through its export equalization fund established by a deduction from the direct milk subsidy payments made to producers of manufacturing milk in Canada.

2. Export subsidies on cheese for the past three years totalled: 1965-66, $1,065,492; 1966-67, $1,349,731; 1967-68, $1,554,300.

Export statistics are maintained on a national basis only and it is not possible to identify the province of origin of the cheese exported. It is estimated, however, that approximately 25 per cent of the cheddar chese exported to Britain is of Quebec manufacture and the balance mainly from Ontario.

REFIT BIDS FOR GOVERNMENT SHIP "NEW LISKEARD"

Question No. 16—**Mr. Crouse:**

1. Has the government reversed its policy of calling for competitive bids on the refit of government-owned Canadian ships and, if so, on what date was the change announced by Cabinet?

2. Were competitive bids called for the refit of the government research vessel *New Liskeard*?

3. What are the names of the refit yards bidding on this work and the name of the successful contractor?

4. Who determined the nature of the repairs required on the *New Liskeard* and the amount of money to be spent for this work?

5. Is the *New Liskeard* presently under refit and, if so, what is the name of the company doing the work?

Hon. Donald C. Jamieson (Minister of Defence Production): 1. No. The government has not reversed its policy of calling competitive bids for the refit of government owned vessels. The shipbuilding procurement policy approved by cabinet in July 1965 is still applicable.

2. Yes. An invitation to tender was issued on September 20, 1968.

3. The following firms received the invitation to tender. Canadian Vickers Shipyards Limited, Montreal, Quebec; Davie Shipbuilding Limited, Lauzon, Quebec; Dominion Steel and Coal Corporation Ltd., Halifax Shipyards Division, Halifax, N.S.; Ferguson Industries Limited, Pictou, N.S.; Lunenburg Foundry and Engineering Limited, Lunenburg, N.S.; Marine Industries Limited, Sorel, Quebec; Newfoundland Dockyard (CNR), St. John's Newfoundland; Newfoundland Marine Works, Marystown, Newfoundland; North Sydney Marine Railway Co. Limited, North Sydney, N.S.; Saint John Shipbuilding and Dry Dock Co. Ltd., Saint John, N.B.; Steel and Engine Products Ltd., Halifax, N.S.; Sydney Engineering and Dry Dock Co. Limited, Sydney, N.S.

4. The Department of National Defence.

5. No. The closing date for bids mentioned in part 2 is October 10, 1968.

REGULAR FORCE INFANTRY BATTALIONS

Question No. 18—**Mr. Harkness:**

1. As of July 1, 1968 (a) how many infantry battalions were there in the Canadian Regular Forces (b) what are the names and strength of each of these (c) what was the war establishment of each of these?

2. What is the new war establishment of each of these infantry battalions to be consequent upon the announced reduction in the number of companies?

Questions

3. Have any of these battalions been disbanded, or are to be disbanded?

Hon. Léo Cadieux (Minister of National Defence): 1. and 2. It is not considered to be in the public interest to divulge war establishments of military units, nor is it departmental policy to release individual unit strengths. However, as of July 1, 1968, there were Infantry battalions, viz: 1 RCR; 2 RCR; 1 PPCLI; 2 PPCLI; 1 RHC; 2 RHC; 1 CDNGds; 2 CDNGds; 1 R22eR; 2 R22eR; 3 R22eR; 1 QOR of C; 2 QOR of C; with a total strength of 8,557.

3. None has been disbanded but 2 QOR of C was reduced to nil strength effective August 15, 1968 and 1 CDNGds will be reduced to nil strength effective October 1, 1968.

REGULAR FORCE ENGINEER UNITS

Question No. 19—**Mr. Harkness:**

1. As of July 31, 1968 (a) how many engineer squadrons or companies were there in the Canadian Regular Forces (b) what are the names and strength of each of these (c) what was the war establishment of each of these?

2. What strength does the proposed new war establishment provide for engineer squadrons or companies?

3. Have any of these squadrons or companies been disbanded, or are to be disbanded?

Hon. Léo Cadieux (Minister of National Defence): 1. and 2. It is not considered to be in the public interest to divulge war establishments of military units, nor is it departmental policy to release individual unit strengths. However, as of July 1, 1968, there were four engineer squadrons, viz: 1 Fd Sqn; 2 Fd Sqn; 3 Fd Sqn; 4 Fd Sqn; with a total strength of 1173.

3. No.

REGULAR FORCE SIGNAL UNITS

Question No. 20—**Mr. Harkness:**

1. As of July 31, 1968 (a) how many signal squadrons or companies were there in the Canadian Regular Forces (b) what are the names and strength of each of these (c) what was the war establishment of each of these?

2. What strength does the proposed new war establishment provide for signal squadrons or companies?

3. Have any of these squadrons or companies been disbanded, or are to be disbanded?

Hon. Léo Cadieux (Minister of National Defence): 1. and 2. It is not considered to be in the public interest to divulge war establishments of military units, nor is it departmental policy to release individual unit strengths. However, as of July 1, 1968, there were eight signal squadrons, or companies, viz: 1 Sig. sqn.; 2 Sig. sqn.; 3 Sig. sqn.; 4 Sig. sqn.; 6 Sig. sqn.; 1 Cdn. sig. regt.; 1 Sig. unit; 1 Line tp.; with a total strength of 1,132.

3. One sig. unit was disbanded August 31, 1968 and its personnel incorporated in one Cdn. sig. regt.

REGULAR FORCE R.C.E.M.E. UNITS

Question No. 21—**Mr. Harkness:**

1. As of July 31, 1968, what RCEME units and detachments were assigned to active fighting units and formations, and what was their strength?

2. What will be the war establishment of these RCEME units and detachments consequent upon the reductions in strength announced for armoured, artillery and infantry units?

Hon. Léo Cadieux (Minister of National Defence): 1. and 2. It is not considered to be in the public interest to divulge war establishments of military units, nor is it departmental policy to release individual unit strengths. R.C.E.M.E. personnel assigned to active fighting units are no longer identifiable as organizational entities. However, as of July 1, 1968, there were 3 field workshops with a total strength of 680. These workshops, as such, will be absorbed into service battalions.

REGULAR FORCE ARTILLERY REGIMENTS

Question No. 22—**Mr. Harkness:**

1. As of July 1, 1968 (a) how many artillery regiments were there in the Canadian Regular Forces (b) what are the names and strength of each of these (c) what was the war establishment of each of these?

2. What is the new war establishment of each of these artillery regiments to be consequent upon the announced reduction in the number of batteries?

3. Have any of these regiments been disbanded, or are to be disbanded?

Hon. Léo Cadieux (Minister of National Defence): 1 and 2. It is not considered to be in the public interest to divulge war establishments of military units, nor is it departmental policy to release individual unit strengths. However, as of June 30, 1968, there were four artillery regiments and four artillery batteries, viz: 1 RCHA; 2 RCHA; 3 RCHA; 4 RCHA; 1 SSM Bty; 2 SSM Bty; 3 RCHA XBty; 1 Loc Bty; with a total strength of 2,881.

3. One Loc Bty was disbanded July 1, 1968, and 2 SSM Bty, 1 September, 1968.

USE OF ARMED FORCES PERSONNEL

Question No. 23—**Mr. Harkness:**

As of July 31, 1968 (a) how many officers and men of the Canadian Forces were serving in fighting units of the forces (i.e. ships, battalions, regiments, air squadrons, etc.) (b) how many personnel were engaged in administrative, training and other non-fighting jobs?

Hon. Léo Cadieux (Minister of National Defence): All personnel of Canada's armed forces are trained for combat duties. It is difficult to distinguish between personnel engaged in "fighting jobs" as opposed to "non-fighting jobs". However, as of July 1, 1968, out of 99,817, there were approximately 9,900 and 23,400 combat officers and men respectively performing administrative, training, and other related duties.

REGULAR FORCE ARMOURED UNITS

Question No. 24—**Mr. Harkness:**

1. As of July 31, 1968 (a) how many armoured regiments were there in the Canadian Regular Forces (b) what are the names and strength of each of these (c) what was the war establishment of each of these?

2. What is the new war establishment of each of these armoured regiments to be consequent upon the announced reduction in the number of squadrons?

3. Have any of these regiments been disbanded, or are to be disbanded?

Hon. Léo Cadieux (Minister of National Defence): 1 and 2. It is not considered to be in the public interest to divulge war establishments of military units, nor is it departmental policy to release individual unit strengths. However, as of July 1, 1968, there were four armoured regiments and two armoured squadrons, viz: RCD; 8 CH; C Sqd 8 CH; LDSH RC; FGH; FGH Recce Sqn; with a total strength of 2094.

3. No.

TENDERS FOR HEATING SYSTEMS, VAL D'OR, ROUYN AND AMOS, QUE.

Question No. 38—**Mr. Caouette:**

1. What are the names of the contractors who answered a call for tenders by Central Mortgage and Housing Corporation in July, 1968, for the installation of heating systems in Val d'Or, Rouyn and Amos?

2. What was the amount of the tender in each case?

3. To which firm did the Corporation award the contract or contracts for each of the said projects in Val d'Or, Rouyn and Amos?

Hon. Paul Hellyer (Minister of Transport): 1 and 2.

Contractor	Project and amount of bid		
	Amos	Val d'Or	Rouyn
	$	$	$
Jean Boutin, Lac Lemoyne, Quebec	Nil	28,700.00	Nil
Econo Heating, Ottawa, Ontario	40,170.00	30,752.05	6,858.00
Robert Dumas, Malartic, Quebec	42,840.00	34,440.00	8,820.00
L. D. Pilon, Noranda, Quebec	56,880.00	40,180.00	10,740.00
Drouin, Allard Inc., Amos, Quebec	59,635.20	Nil	Nil
Gagnon-Gelinas Enr., Rouyn, Quebec	Nil	Nil	10,360.32
Jean B. Boutin, Inc., Amos, Quebec	65,568.00	Nil	Nil

3. Contracts were awarded to Econo Heating for the Amos and Rouyn projects, and to Jean Boutin (Lac Lemoyne) for the Val d'Or project.

TENTS AND PORTABLE COTTAGES, PRINCE ALBERT NATIONAL PARK

Question No. 46—**Mr. Diefenbaker:**

1. Has the Department of Indian Affairs and Northern Development received representations

from the Cabin Tent and Portable Cottage Association and/or the Provincial Government of Saskatchewan requesting that the order made to discontinue shack tents and portable cottages of the Prince Albert National Park in the National Park should be revoked?

2. Will the government give reconsideration to the decision made in this regard?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Yes. The members of this association have expressed concern lest the department revoke annual permits and summarily evict their members from the park. Nothing can be further from the truth. The department has not issued any such order. Effective May 1 new permits will not be issued for cabin tents but all persons who held permits in 1967 will be permitted to renew these annually for as long as they desire. The purpose is to permit long range development of prime public lands occupying the best beach areas in the park for the benefit of all visitors.

2. N. A.

ARMED FORCES PENSION FUND

Question No. 60—**Mr. Forrestall:**

1. Is it the intention of the government to initiate action to tie the serviceman's pension to the cost of living index and (a) if not, for what reason (b) if so, when?

2. Is it the intention of the government to initiate measures to use the pension fund to improve pensions for servicemen, decrease the contributions now required of servicemen, harness the fund's growth for any purpose which may provide greater benefits to the serviceman, in each case, and, if not, for what reason?

3. Is it the intention of the government to allow this pension fund growth to continue indefinitely, without adjustment, and, if so, does the government intend to use the fund for purposes other than those for which the fund was established, if not, what does the government intend to do with the growing fund's net surplus?

4. Is this pension fund capable of sustaining the increase that would result from tying the pension of those now serving in the Armed Forces to the cost of living index, without increasing the financial burden to the taxpayer, and, if not, for what reason?

5. What is the average number of monthly pension payments being made to a serviceman from his retirement to death?

6. What is the current life expectancy of the male and female respectively, statistically?

7. Will the government consider adopting measures to tie the pension of servicemen to the cost of living index and, if not, for what reason?

8. Will the government consider adopting measures to tie the pension fund to improve pensions for servicemen, decrease the contributions now required of servicemen, harness the fund's growth for any purpose, provide greater benefits to the servicemen, and in each case if not, for what reason?

Hon. Léo Cadieux (Minister of National Defence): 1. The government is still studying its position on introducing amendments to the Public Service Pension Adjustment Act.

2. No.

3. As indicated in the report on actuarial examination of the Canadian forces superannuation account in the consolidated revenue fund as at December 31, 1965, which was tabled in the house on September 12, 1968, and the deficiency reported therein, there is no surplus available to use the fund for any other purpose than that for which the statute provides.

4. No.

5. and 6.

Members of the forces retiring at	Average number of monthly pension payments from retirement to death		Current life expectancy	
Age	Male	Female	Male	Female
40	396	499	32.96	37.45
45	342	394	28.49	32.82
50	291	340	24.25	28.33
55	244	288	20.30	24.01

7. See reply to 1. above.

8. In view of the deficiency reported in this latest valuation, there is no surplus available to carry out any of these measures.

[Mr. Diefenbaker.]

ARMED FORCES PENSION FUND

Question No. 61—**Mr. Forrestall:**

1. (a) What is the current cost to the public for training a transport pilot, a combat pilot, a radio navigator, a dentist, a medical officer and

a lawyer (b) what were the total training costs to the public in each category for 1966 and 1967?

2. What was the value of the servicemen's pension fund in the fiscal years 1965-65, 1965-66, 1966-67, respectively, and what is the current value?

3. During these same periods, how much has the servicemen's pension fund paid out to retired service personnel, and how many officers and men respectively were paid?

4. For the same years, how much money was paid into the pension fund by servicemen, and how many officers and men were involved?

5. What was the growth rate of this pension fund for the same periods and what is the current interest rate applicable to the fund for calculation of the annual growth?

6. Is it the intention of the government to initiate action to obtain professional pay for the Engineers of the Armed Forces and, if not, for what reason, and if so, when?

7. Will the government consider adopting measures to establish and provide professional pay for Engineers in the Service?

Hon. Léo Cadieux (Minister of National Defence): 1. (a) Transport pilot, $112,500; Combat pilot, $197,000; Radio navigator, $90,900. In so far as a dentist, medical officer and a lawyer are concerned, the cost of their training is for the training they undergo when entering the service to become officers, having completed their professional training prior to entry. This amounts to approximately $3,500 per officer. It is not possible to isolate the individual cost under the subsidization scheme whereby medical and dental officers are assisted in completing their professional studies. (b) The accounting and financial system within the department is not designed to produce this data.

2. January 1, 1968, $2,686,160,343.

3. (a) January 1, 1968, $37,469,385.

See *Hansard* 5/12/66 page 10701, and 22/11/67 page 4562, for balance of reply to 2 and 3 (a).

(b)	Officers	Men
1964-65	4,075	8,762
1965-66	4,972	11,338
1966-67	5,690	13,610
Jan. 1, 1968	6,106	14,813

4. (a)	(b)	(Estimated)	
		Officers	Men
1964-65	$35,431,743	16,768	98,024
1965-66	34,391,596	16,003	91,834
1966-67	25,349,494	15,651	87,693
Jan. 1, 1963	26,853,077	16,388	86,314

5. See *Hansard* 5/12/66 page 10701.

6. This question was considered at the time of the 1966 pay reviews and the decision made that the pay rates for regular line officers are appropriate for officers qualified as engineers.

7. No.

OWNERSHIP OF LABRADOR

Question No. 80—**Mr. Fortin:**

1. Has the federal government received protests from Quebec about Labrador?

2. Has the federal government carried out, or is it carrying out or does it intend to carry out a study on the problem of the ownership of Labrador?

3. What is the position of the federal government on the Quebec-Newfoundland dispute over ownership of Labrador?

4. Has the federal government held discussions with the Government of Newfoundland about Labrador and, if so, what was the nature of these discussions?

Right Hon. P.-E. Trudeau (Prime Minister): 1. No.

2. No.

3. The question was decided by the judicial committee of the Privy Council in 1927.

4. No.

CHANGES IN RURAL MAIL SERVICE

Question No. 86—**Mr. Coates:**

1. How many rural post offices in Canada have been closed or are to be closed in the remainder of the present fiscal year and since June 25, 1968?

2. How many rural routes have been cancelled by the Post Office Department or are to be cancelled by the Post Office Department in the present fiscal year and since June 25, 1968?

3. How many extensions to existing rural routes have been approved since June 25, 1968, that involve the cancellation of existing rural routes?

[*Translation*]

Hon. Eric W. Kierans (Postmaster General): 1. Sixty-four Rural Post Offices have been closed during the present fiscal year, and it is expected that approximately 250 additional Rural Post Offices will be closed in the remainder of the fiscal year. All closings have taken place since June 25, 1968.

2. Fifty-six Rural Routes were discontinued since April 1, 1968, and it is not known how many more may be discontinued during the remainder of the fiscal year. Of these 56, 28 were discontinued since June 25, 1968.

3. Extensions and rearrangements to 27 existing Rural Routes have been approved since June 25, 1968, to serve the patrons of the Rural Routes discontinued since that date.

Questions

[*English*]

AIRPORT ACCOMMODATION FOR SUPERSONIC TRANSPORTS

Question No. 89—**Mr. McCleave:**

1. What are the lengths of the longest runways at Gander, Halifax, Montreal, Toronto, Winnipeg, Calgary, Edmonton and Vancouver airports?

2. Has the Department of Transport carried out studies to determine which, if any, of the above airports could accommodate supersonic transports (hereinafter referred to as SST's)?

3. If so, what are the results of such studies with regard to (a) length of runways, and (b) weight-carrying capacities, of each airport?

4. Who is carrying out the SST studies by the Department, and approximately how much money is being spent on same?

5. Do such studies consider the noise nuisances created by SST's, and methods of overcoming the same?

6. If the noise level is considered excessive to humans and domestic and wild life (a) is the Department considering the location of SST airfields where such nuisance would have a minimum effect, or (b) is it considering a legislative ban on flights, because of such circumstances?

7. When are SST's expected to be ready for regular commercial travel?

8. What is the average amount of time that is taken in Canada to develop new airports, or to make drastic alterations to older ones (with examples)?

Hon. James Richardson (Acting Minister of Transport): 1. Gander (8,900 feet), Halifax (8,800 feet), Montreal (11,000 feet), Toronto (11,050 feet), Winnipeg (11,000 feet), Calgary (12,675 feet), Edmonton (11,000 feet) and Vancouver (10,600 feet).

2. Yes.

3. (a) Preliminary manufacturer's performance specifications indicate that sea-level runway lengths of 10,500 feet (Concorde) and 7,650 feet (Boeing 2707) would be required when operating at maximum gross take off weights.

(b) With respect to weight loadings not all runways and taxiways at the specified airports would be capable of handling SST aircraft, however, each of the eight airports has at least one runway and adequate connecting taxiways to permit SST operations.

4. A Department of Transport Air Services SST study group, in consort with the air services aviation systems planning group, is monitoring all developments of the SST programs and adapting Department of Transport planning techniques and philosophies to meet the emerging requirements. Consultations with major air carriers and manufacturers are held on a regular basis for exchange and coordination of all pertinent information. Canada is also represented on the International Civil Aviation Organization technical panel on supersonic transport operations by an official member from the Department of Transport.

No direct expenditures are incurred by these studies. Members of the study teams are regular air services employees.

5. Yes. This is an international problem being studied vigorously by all concerned. In the Department of Transport a sonic boom/noise "subcommittee" of the SST study group is engaged in continuing studies related to the over-all assessment of these problems.

6. Considerable research is being conducted in the United States and United Kingdom on the physiological effects of noise and sonic-boom overpressures on human and animal life. These and many other studies are being closely monitored by the SST study group subcommittee on sonic boom/noise.

(a) Locating SST airports in remote areas would certainly be given consideration if results of the research studies suggested this course of action. Hopefully, technological advances will preclude this necessity.

(b) The Department of Transport has every intention of protecting citizens, animal life, and property from any inherent dangers associated with the noise and sonic-boom phenomena generated by SST aircraft. Under the authority of The Aeronautics Act (part I) a regulation has already been promulgated which states that "No aircraft shall be flown in such a manner as to create a shock wave, the effect of which is to create or likely to create a hazard to other aircraft or to persons or property on the ground." (The air regulations, part V, para. 515.(c))

7. As near as can be determined the Concorde would enter commercial service in early 1972 and the Boeing 2707 in late 1976.

8. Airports range in size and complexity from a simple, small, single runway to a sophisticated international airport with a complex and intricate system of runways and facilities. The former could take up to two years to complete from land acquisition to completion, while the latter could require anywhere from five to seven years. Pitt Meadows, B.C. fits into the first category (two years) and Edmonton international airport the second category (seven years). On the other hand Toronto and Montreal international airports as well as other major airports are constantly undergoing changes, alterations and

modifications to keep pace with the unprecedented growth rate of passenger and air cargo traffic.

CELEBRATION OF BATTLE OF BRITAIN

Question No. 93—**Mr. McCleave:**

1. Did members of the Canadian Armed Forces take part in ceremonial parades and church services marking the Battle of Britain and, if so, in what centre or centres?

2. Were wreaths placed by the Canadian Armed Forces in such memorial services on Battle of Britain Sunday?

3. Has the role of the members of the Canadian Armed Forces been restricted or eliminated with reference to Battle of Britain observances and, if so, on what authority?

Hon. Léo Cadieux (Minister of National Defence): 1. Yes, as follows: (a) Ceremonial parades and church services were held at CFS Sydney, Moncton, Chibougamau, CFS Lac St. Denis, CFS Moisie, CFB North Bay, Ottawa, CFS Moosonee, Kapuskasing, CFS Falconbridge, Toronto, CFB Winnipeg, CFS Gypsumville, CFS Beausejour, Moose Jaw, CFS Yorkton, CFS Alsask, CFB Penhold, CFS Dana, CFS Beaverlodge, CFS Holberg, CFS Kamloops, CFB Comox, Victoria. (b) Special church services were held at CFS Gander, CFB Greenwood, CFB Summerside, CFB Halifax, CFB Shearwater, CFB Cornwallis, CFB Chatham, CFS Val d'Or, CFS Mont Apica, CFB St. Hubert, CFS La Macaza, CFS Sioux Lookout, CFS Armstrong, CFS Senneterre, CFS Ramore, CFB Portage La Prairie, CFB Cold Lake, CFS Baldy Hughes, Venture Division Fleet School Esquimalt, 1 Air Division Europe. (c) Ceremonial parades were held at Saint John, Bathurst, Chatham, CFB St. Jean, Goderich, Peteborough, Brandon, Edmonton.

2. Yes, at Moncton, Saint John, Bathurst, Chatham, Ottawa, Kapuskasing, Peterborough, Toronto, Brandon, Gimli, Moose Jaw and Edmonton.

3. No.

BANK OF WESTERN CANADA

Question No. 125—**Mr. Paproski:**

1. What is the present status of the Bank of Western Canada which was chartered by Parliament over two years ago?

2. Is it in process of liquidation and, if so, has or will the charter be surrendered and when?

Hon. E. J. Benson (Minister of Finance): 1. A special general meeting of shareholders of the Bank of Western Canada held on September 14, 1967 voted in favour of winding up the Bank. A winding up order pursuant to the provisions of the Winding-up Act was issued by the Manitoba Court of Queen's Bench on October 30, 1967 and the Clarkson Company appointed as liquidator. On February 1, 1968, the liquidator made a payment to shareholders of $13 per share. On August 14, 1968 it was announced that the liquidator expected to make a final payment to shareholders in October 1968 and that the expected amount of that payment was between $1.60 and $1.75 per share.

2. As indicated in the answer to question number 1, the Bank of Western Canada is still in the process of liquidation. The Bank Act is the charter of each bank named in schedule A of that Act. The name of a bank remains in schedule A until it is removed by act of parliament. If a bank's capital has been returned to its shareholders in the process of liquidation, in view of the provisions of section 37 of the Bank Act, such a bank would be unable to use its charter without specific government authorization.

HOUSING DEVELOPMENT, SCARBOROUGH TOWNSHIP, ONT.

Question No. 128—**Mr. Brewin:**

1. What is the present status of plans to develop housing on the approximately one thousand acres at Malvern in Scarborough Township on the property acquired by the federal-provincial partnership in 1953 for housing?

2. Have definite plans been made for provision of services and on what date is it anticipated that the actual housing will be built and available for occupation?

3. Are any of the houses to be made available to Ontario Housing Corporation or other authorities for public housing?

Hon. Paul Hellyer (Minister of Transport): 1. Following a feasibility study, sponsored jointly by the federal-provincial partners in 1967, consultants were appointed in March 1968 to prepare a development plan for the Malvern Lands. Provided a plan of subdivision can be registered by mid-1969 it is expected that the installation of services will be underway by the end of that year.

2. The appointed consultants have responsibility for the design of services and supervision of their installation, the timing of which is covered in 1 above. Actual house construction will follow immediately on the installation of services.

3. Yes.

Questions

WINTER WORKS PROJECTS

Question No. 132—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in the fiscal years 1965-66, 1966-67, 1967-68 for the cities of (a) St. John's (b) Halifax (c) St. John (d) Quebec (e) Montreal (f) Toronto (g) Winnipeg (h) Regina (i) Calgary (j) Edmonton?

2. How many man-days of labour were provided by Winter Works Projects in each of the above cities during the fiscal years, 1965-66, 1966-67, 1967-68?

Mr. Gerard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding.

			(estimated)
1.	1965-66	1966-67	1967-68
(a)	$150,301.82	$49,259.70	$44,896.00
(b)	45,281.33	14,864.55	8,670.00
(c)	274,162.09	55,181.06	109,200.00
(d)	265,112.01	172,166.14	437,491.00
(e)	761,626.12	602,188.47	764,635.00
(f)	1,718,576.52	1,320,427.49	1,117,736.00
(g)	310,136.48	338,870.57	510,648.00
(h)	59,055.34	64,022.06	12,103.00
(i)	406,719.25	436,122.56	386,836.00
(j)	727,057.82	564,889.99	539,857.00
2.			
(a)	21,054	6,288	4,944
(b)	5,028	1,676	1,156
(c)	28,450	5,492	11,424
(d)	1,622	15,673	39,862
(e)	8,236	47,406	53,854
(f)	181,716	97,282	76,389
(g)	34,459	48,588	50,516
(h)	7,432	6,510	1,287
(i)	40,862	53,072	37,369
(j)	71,653	38,105	45,711

WINTER WORKS PROJECTS, NEWFOUNDLAND

Question No. 133—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in Newfoundland in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in Newfoundland during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $341,788.42; (b) $225,962.36; (c) $140,000 (estimated).

2. (a) 43,395; (b) 32,875; (c) 20,460 (estimated).

WINTER WORKS PROJECTS, PRINCE EDWARD ISLAND

Question No. 134—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in Prince Edward Island in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in Prince Edward Island during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $427,176.54; (b) $644,887.13; (c) $202,000 (estimated).

2. (a) 76,989; (b) 107,885; (c) 27,539 (estimated).

WINTER WORKS PROJECTS, NOVA SCOTIA

Question No. 135—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in Nova Scotia in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in Nova Scotia during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $430,138.61; (b) $377,831.42; (c) $60,000 (estimated).

2. (a) 78,675; (b) 59,502; (c) 7,760 (estimated).

WINTER WORKS PROJECTS, QUEBEC

Question No. 136—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in Quebec in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in Quebec during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $22,712,086.21; (b) $16,379,469.03; (c) $13,457,000 (estimated).

2. (a) 2,910,883; (b) 1,977,388; (c) 1,531,159 (estimated).

WINTER WORKS PROJECTS, ONTARIO

Question No. 137—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in Ontario in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in Ontario during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $6,946,111.98; (b) $6,619,649.24; (c) $5,398,000 (estimated).

2. (a) 636,803; (b) 564,486; (c) 396,620 (estimated).

WINTER WORKS PROJECTS, MANITOBA

Question No. 138—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in Manitoba for the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in Manitoba during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-1966, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $851,642.22; (b) $1,036,516.81; (c) $834,000 (estimated).

2. (a) 93,933; (b) 115,977; (c) 91,052 (estimated).

WINTER WORKS PROJECTS, SASKATCHEWAN

Question No. 139—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in Saskatchewan in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in Saskatchewan during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $2,062,999.49; (b) $1,253,846.26; (c) $676,000 (estimated).

2. (a) 240,408; (b) 145,165; (c) 74,737.

WINTER WORKS PROJECTS, ALBERTA

Question No. 140—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in Alberta in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in Alberta during the fiscal yeras (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $2,839,563.18; (b) $2,612,150.74; (c) $2,344,000 (estimated).

2. (a) 306,196; (b) 265,980; (c) 226,761 (estimated).

WINTER WORKS PROJECTS, BRITISH COLUMBIA

Question No. 141—**Mr. MacRae:**

1. What was the total amount of money paid out by the federal government for Winter Works Projects in British Columbia in the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

2. How many man-days of labour were provided by Winter Works Projects in British Columbia during the fiscal years (a) 1965-66 (b) 1966-67 (c) 1967-68?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): Figures by fiscal year are not available. The following are given for the program in the winters of 1965-66, 1966-67 and 1967-68. Those for 1967-68 are estimated since some claims are still outstanding. 1. (a) $3,643,372.88; (b) $2,695,834.42; (c) $2,165,000 (estimated).

2. (a) 300,210; (b) 211,145; (c) 164,631.

Questions

RECIPIENTS OF MILK SUBSIDY

Question No. 161—**Mr. Fortin:**

How many milk producers are registered and have received the subsidies granted by the federal government during the year 1967-68 (a) across Canada (b) in each province (c) in the federal constituency of Lotbinière?

Hon. H. A. Olson (Minister of Agriculture): (a) 143,766 producers; (b) P.E.I., 3,407; N.S., 2,131; N.B., 2,713; Que., 48,015; Ont., 31,240; Man., 13,820; Sask., 20,099; Alta., 21,654; B.C., 687. (c) Not available.

DUMPING OF U.S. POTATOES IN VANCOUVER MARKET

Question No. 162—**Mr. Rose:**

1. Has the Minister of Agriculture met recently with British Columbia and Alberta potato growers to discuss the question of the dumping of small No. 1 U.S.A. potatoes into the Vancouver Market below the Alberta production and shipping costs?

2. If so, what was the date of this meeting?

3. What action has the government taken in this matter?

Hon. H. A. Olson (Minister of Agriculture): 1. A meeting was held with representatives of potato producers in western Canada to discuss a request for imposition of value for duty on potato imports.

2. August 27th.

3. The government has applied a value for duty of $2.48 per cwt. on potatoes entering western Canada.

FARM LOAN APPLICATIONS, LOTBINIÈRE CONSTITUENCY

Question No. 168—**Mr. Fortin:**

1. How many persons in the federal constituency of Lotbinière made applications for farm loans in 1962-63-64-65-66-67-68?

2. Of these applications, how many were (a) approved (b) rejected?

3. What was the total value of the farm loans approved?

4. In each parish of the federal constituency of Lotbinière, what was the total number of loans approved and rejected?

5. Of these, what was the total value of loans approved and rejected?

Hon. H. A. Olson (Minister of Agriculture): The Farm Credit Corporation does not maintain statistical records on a constituency basis. However, the constituency of Lotbinière is made up of part of the municipal counties of Lotbinière, Arthabaska and Nicolet, for which municipal counties the answer is as follows:

	Fiscal years					
	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68
1. Applications:	192	218	273	152	248	230
2. (a) Approved:	127	136	211	144	241	208
(b) Rejected:	65	82	62	8	7	22
3. Amount approved:	$1,543,200	1,513,400	3,147,708	2,491,555	4,131,092	3,824,324

4. Statistics are not maintained by parishes and therefore the information is not available.

5. Answered by 4.

FARM CREDIT LOANS, PRINCE EDWARD ISLAND

Question No. 180—**Mr. MacLean:**

1. How many loans were made by the Farm Credit Corporation in the province of Prince Edward Island during each quarter of the fiscal year 1967-68, and in the first quarter of the fiscal year 1968-69?

2. What was the (a) smallest (b) largest (c) average, loan made in each quarter?

3. What was the total amount loaned in each quarter?

Hon. H. A. Olson (Minister of Agriculture): The Farm Credit Corporation advises as follows:

	1967-68				1968-69
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
1. No. of loans	36	56	19	9	43
	$	$	$	$	$
2. (a) Smallest loan	3,700	6,100	2,400	9,000	8,400
(b) Largest loan	40,000	40,000	47,500	45,400	40,600
(c) Average loan	17,258	18,716	22,173	21,822	22,125
3. Total amount loaned	621,300	1,048,100	421,300	196,400	951,400

NORMANDIN EXPERIMENTAL FARM, ROBERVAL CONSTITUENCY

Question No. 232—**Mr. Gauthier:**

1. How many employees were employed by the Normandin Experimental Farm in the constituency of Roberval during the years 1964, 1965, 1966, 1967 and 1968?

2. What were the expenditures of this farm in each year?

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

	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	
1.	29	29	29	29	29	28	
2.	$181,863	$170,718	$186,213	$139,231	$199,837	$186,640	(estimated)

FARM CREDIT LOAN APPLICATIONS

Question No. 245—**Mr. Coates:**

1. What was the total number of applications processed by the Farm Credit Corporation in the fiscal year 1967-68 and of that number how many were approved and what was the total amount of monies loaned?

2. Of the total number of applications received, how many came from the four Atlantic Provinces and of the number processed, how many were approved and what was the total amount of the monies loaned?

3. What was the percentage of applications for loans received from the four Atlantic Provinces and what was the percentage, of the total, of monies loaned in the four Atlantic Provinces?

Hon. H. A. Olson (Minister of Agriculture): The Farm Credit Corporation advises as follows: 1. National 1967/68:

No. applications processed	14,233
No. approved	11,954
Amount loaned	$251,228,049
2. Atlantic provinces 1967/68:	
No. applications received	337
No. approved	312
Amount loaned	$5,789,020
3. Percentage of applications for loans	2.46
Percentage of total monies loaned	2.30

NATIONAL DEFENCE

REPORTED U.S. REQUEST FOR INCREASE IN BUDGETS OF ALLIES

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in view of reports that the United States has asked its allies to increase their defence budgets I should like to ask the Secretary of State for External Affairs whether any such request has been made of Canada. If so, what has been the reply of the Canadian government?

Hon. Michell Sharp (Secretary of State for External Affairs): Mr. Speaker, as Secretary of State for External Affairs I received a note from the Secretary of State of the United States at the end of the week in which the United States expressed its views concerning what should be an adequate response by the NATO allies to the invasion of Czechoslovakia. There was also a comment in particular about the kind of response they would like Canada to make. No reply has as yet been made. I doubt very much whether a reply will be formally made.

All these matters are to be discussed at the NATO council. At that time Canada will indicate its general position.

Mr. Stanfield: I should like to ask, simply for clarification, whether the Secretary of State for External Affairs is not prepared at this time to say what are the suggestions of the United States with regard to this matter.

Mr. Sharp: No, Mr. Speaker. I expect that as matters develop there will be an opportunity to be more specific about Canada's plans, but at the moment we have simply received these representations from the United States and they are under study. I do not think it would be appropriate for me to reveal them at the moment. They were presented to us in the form of a general view of the United States that there should be a firm response from the NATO allies to the invasion of Czechoslovakia.

Mr. Stanfield: After the government has had an opportunity to consider the request will the Secretary of State for External Affairs be prepared to make a statement on this matter, giving the house this information?

Mr. Sharp: At the appropriate time, when the government has reached a conclusion as to the general plans, I am sure the house would expect me to reveal them and would expect that indeed there would be some debate on the matter.

Inquiries of the Ministry

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I ask the Secretary of State for External Affairs whether the report is correct that he will not be attending the meeting of the NATO foreign ministers? If that is correct, who will represent Canada?

Mr. Speaker: Order. The hon. member knows he must ask the question directly, and must not ask the minister to either confirm or deny a report.

Mr. Winch: May I ask whether the minister intends to be at the NATO foreign ministers conference which has now been called.

Mr. Sharp: The meeting which is to be held in New York is a meeting of the foreign ministers who will be in New York to attend the United Nations general assembly. Unfortunately the invitation I received was for a day for which I had made a prior engagement some months ago. I felt that I could not break this engagement because of the inconvenience I would thus cause to a great many people. However, I shall have an opportunity later to discuss with the same foreign ministers the subjects which will then be under discussion.

Mr. Stanfield: Will the Secretary of State for External Affairs be represented at this meeting of NATO, and if so by whom?

Mr. Sharp: Mr. Speaker, I am not certain this will be necessary. This is not a meeting of NATO; it is a dinner being put on by Dean Rusk of the United States to which he has invited the foreign ministers who happen to be there, but not all of us will be there.

EXTERNAL AID

BIAFRA—AVAILABILITY OF CANADIAN AIRCRAFT

On the orders of the day:

Mr. Max Saltsman (Waterloo): Mr. Speaker, in view of the Prime Minister's announcement that he is willing to make aircraft available for relief aid to Biafra, I should like to ask the Secretary of State for External Affairs to outline the conditions under which the Canadian government will make these aircraft available?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, perhaps I could best answer by reading from the press release issued today as a result of my meeting with General Wrinch of the Canadian Red Cross, held at the end of the week. In that press release I said:

> —the government was prepared to facilitate these relief operations by providing a Canadian forces Hercules aircraft and crew to the Canadian Red Cross for participation as soon as practicable in relief operations in areas under the control of the Nigerian government.

Mr. Saltsman: Mr. Speaker, since these voluntary organizations have raised supplies and money, and in view of the fact that the major problem seems to involve the cost of paying for these aircraft, is the Canadian government prepared to finance the use of the Hercules aircraft?

Mr. Sharp: Mr. Speaker, I made it quite plain that the Canadian government is prepared to provide a Hercules aircraft for use in Nigerian territory.

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to ask the minister whether the Canadian Red Cross made any request to the government for assistance in their efforts to get relief supplies into the area of Nigeria that is controlled by the Biafrans.

Mr. Sharp: Mr. Speaker, in answer to that particular question I will give you the relevant sentence.

Mr. Fairweather: How about making a statement on motions and dealing with this properly?

Mr. Sharp: I felt that I had made a number of statements on motions today. I am very happy to answer these questions if anyone wants the answers. This is the relevant portion:

> General Wrinch and the minister exchanged views as to how Canada might contribute most effectively in meeting the immediate needs as well as those that might arise in the somewhat longer term. General Wrinch said that in view of the limited response to the public appeal made by the Nigeria-Biafra relief fund of Canada, neither the fund nor the Canadian Red Cross was able to meet the request of the international committee of the Red Cross for an aircraft to participate in the International Red Cross' relief operations.

It was following that that I said:

> —the government was prepared to facilitate these relief operations by providing a Canadian forces Hercules aircraft and crew . . . in relief operations in areas under the control of the Nigerian government.

Mr. Speaker, perhaps I should have tabled this press release which resulted from the discussions I had with General Wrinch. I will be happy to do so in order that it will be on

record when I answer the question. Would the house be agreeable to reverting to motions for the purpose of filing these documents?

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to ask the minister whether about three weeks ago UNICEF asked the Canadian government to provide aircraft to get food into the starving areas of Biafra, and whether it is a fact that the Canadian government has not yet replied to that request.

Mr. Sharp: Mr. Speaker, I am not aware of such a request, but I may be mistaken so I should like to examine the record. I do not remember such a request being made.

[*Later:*]

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Has the Canadian government received any communication from the government of Nigeria to the effect that if the Canadian government delivered food or medical supplies to Biafra by any means other than that to which the government of Nigeria agreed, that country would in fact judge this act to be an act of war?

Mr. Sharp: Mr. Speaker, there have been no communications quite like that, but the Nigerian government, like most governments, has said it is very jealous of its national sovereignty.

Mr. Broadbent: I have a supplementary question. I should like to ask the Secretary of State for External Affairs whether he could refer the members of this house to any legal authority which would support—

Mr. Speaker: Order, please. The hon. member knows he cannot ask the minister to interpret a statute or otherwise give his opinion as to the legality of a matter.

HOUSING

TASK FORCE—REQUEST FOR STATEMENT ON HEARING OF SUBMISSIONS

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Minister of Transport, but in his absence I will direct it to the acting minister. Will the acting minister make a statement on motions tomorrow concerning the activities of the task force on housing, with particular reference to the manner in which the task force is conducting its hearings in the city of Toronto? I ask this question because of the great criticism of the actions of the task force in Toronto, with regard to which the minister has been accused of being selective and of practising discrimination.

Mr. Speaker: Order, please. The hon. member can only ask a question and may not put forward an argument.

Mr. Nesbitt: Mr. Speaker, I was wondering whether the acting minister could tell us if we might get a statement tomorrow.

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, I will be pleased to answer today. I am certain the hon. member knows that the task force on housing has set a very tight schedule. It has agreed to have its report finalized by the end of December. This is almost record time for an undertaking of this kind. Under the circumstances the task force may not be able to listen to all the briefs presented to it, but I am certain that the briefs directed to the task force on housing will be studied carefully by the chairman and the personnel making up the task force.

Some hon. Members: Hear, hear.

Mr. Nesbitt: A supplementary question, Mr. Speaker. I am very pleased the acting minister has been able to give us a statement. Now perhaps he could tell us why the task force has refused to hear the submission of the Toronto real estate board.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I should like to ask the acting minister whether the task force on housing, or the road show as it is sometimes now called, is committed to a definite number of days' hearings in the city of Winnipeg.

Mr. Richardson: Mr. Speaker, the schedule of hearings has been published, and I am certain the number of days in Winnipeg will be revealed in that listing of hearings.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wonder whether the acting minister would bring to the attention of the minister the wishes of the members of this house that the submission of the hon. member for Scarborough East (Mr. O'Connell) and the hon. member for Scarborough West (Mr. Weatherhead) should be put on the record before the task force.

Mr. Speaker: Order, please.

Inquiries of the Ministry

[*Translation*]

POST OFFICE DEPARTMENT

POSSIBILITY OF ESTABLISHING CROWN CORPORATION

On the orders of the day:

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to direct a question to the Postmaster General.

Can he tell the house whether a task force has been appointed to study the possible conversion of the Post Office Department into a crown corporation?

Mr. Speaker: I wonder whether this question should be allowed. However, if it is urgent, I see no objection to the minister giving an answer.

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, first, I have to set the record straight. Last Friday the member for Lotbinière divided his question into two parts. Now, after reading the *Debates* report, I notice that I answered the second part only.

The answer to the question put this afternoon by the hon. member is yes. Such a force has been set up and its report will not be filed before a year.

[*English*]

INQUIRY AS TO METHOD OF REDUCING OPERATING COSTS

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Postmaster General in reference to his announcement of last Friday and the planned reduction in the operating costs of his department. Can the minister advise whether the reduction is to be achieved through a diminution in the number of employees in the Post Office or through a decrease in the earnings of said personnel?

Mr. Speaker: Order, please. The question should be placed on the order paper.

Hon. J. W. Monteith (Perth): A supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. The question has not been accepted, so there cannot be a supplementary. The hon. member may wish to ask another question on the same subject.

Mr. Monteith: Mr. Speaker, I should like to ask the Postmaster General whether his announcement of last week means that rural mail delivery, which is the only method rural people have of obtaining newspapers, is going to be cut off on Saturdays?

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, as far as the weekly newspapers are concerned I would—

Mr. Monteith: These are daily newspapers.

Mr. Kierans: With regard to daily newspapers, I should think there would be some difficulty here and that they will receive the Saturday newspapers on Monday.

Some hon. Members: Oh, oh.

Mr. Peters: Horse and buggy days.

Mr. Kierans: I think we have to take account of the fact that we are attempting here to introduce some real measures of efficiency.

Some hon. Members: Oh, oh.

Mr. Kierans: If there should be savings of the order of $13 million to $15 million, we must set this off against any disadvantages which there might be; and I understand, after listening to hon. members across the way speaking on the supply motion, that they are anxious to save money. If this is so, I think we might leave it to the newspapers to accept the challenge and find their own solution.

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question, Mr. Speaker. Is it this government's idea of efficiency to require people to receive their Saturday newspapers on Monday?

Mr. Speaker: Order, please.

Mr. Barry Mather (Surrey): May I ask the minister a supplementary question in connection with the proposed reduction in the quality of the mail delivery service. Has his attention been called to sections 55 and 56 of the Post Office Act, which state that it is an indictable offence for any person wilfully to delay or detain the delivery of mail—

Mr. Speaker: Order, please. The question as asked by the hon. member is not in order.

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a supplementary question for the Postmaster General. May I ask the hon. gentleman if the city of Montreal will continue to receive its mail every day including Saturdays in defiance of the Criminal Code; and does the minister not intend to take any action?

Mr. Kierans: I suggest to the hon. member that no complaint has been raised against the city of Montreal at this moment by the minister of justice of Quebec who is charged with the carrying out of the various articles of the Criminal Code.

Mr. R. E. McKinley (Huron): I should like to ask the Postmaster General how he is going to save money by discontinuing the rural mail service on Saturdays. Will it be by paying less money on the contracts with the rural mail carriers?

Mr. Speaker: Order, please. This question is a point of debate.

An hon. Member: This is a good question.

LABOUR CONDITIONS

MONTREAL—IMPLEMENTATION OF REPORT RESPECTING GRAIN HANDLERS

On the orders of the day:

Mr. H. Russell MacEwan (Central Nova): I have a question for the Minister of Labour. In view of the current rumblings of possible trouble among the grain handlers at the Montreal waterfront, I wonder whether the minister could advise the house as to what action the government is taking concerning grievances, and especially the implementation of the Cohen report which was tabled in March?

Hon. Bryce S. Mackasey (Minister of Labour): Mr. Speaker, over the week end I was informed by the head of the National Harbours Board that the recommendations of the Cohen report will be implemented immediately.

Mr. MacEwan: I have a supplementary question. Is my understanding correct that one reason these recommendations were not implemented before now was that they were not passed by the Treasury Board?

Mr. Mackasey: It was described by the harbours board simply as an administrative error.

AGRICULTURE

CHEESE—DUMPING OF EUROPEAN PRODUCT

On the orders of the day:

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, on September 24 the hon. member for Prince Edward-Hastings asked me whether we were initiating an investigation to find out whether or not cheese was being dumped in Canada. I have obtained a transcript of the speech of the president of the National Dairy Council of Canada which he delivered in Vancouver, out of which I should like to read part of one sentence, if I may. It reads as follows:

> Practically every dairy country in the world is encouraging greater production by means of artificial pricing and while, on the one hand, they are dumping their surpluses on the world market through heavily subsidized exports—

At the time I gave an undertaking that we were going to investigate whether this alleged dumping was a fact, but on the basis of this statement it is my conclusion that the allegation is hardly sufficient reason for an investigation.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question. Is it a fact that cheese is being dumped in Canada?

Mr. Olson: If the president of the dairy council or anyone else will refer us to any specific matter which would indicate that cheese is being brought into Canada in violation of what is contained in the anti-dumping code, we will investigate it. However, my reply now is that this statement does not indicate it.

Mr. Hees: I have a further supplementary question. Would the minister be good enough to get in touch with the gentleman in question to find out what he was complaining so vigorously about when he spoke in Vancouver, as reported by the Canadian Press?

Mr. Speaker: Order, please.

INDIAN AFFAIRS

COMPLAINTS RESPECTING SITUATION AT ARMSTRONG, ONT.

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. However, since this appears to be his day off in the house perhaps I can direct it to the Minister without Portfolio, the hon. member for Port Arthur. Has the government taken steps to investigate the situation relating to Indian complaints at Armstrong, Ontario, brought to light on the initiative of the Company of Young Canadians at the Indian-Eskimo association meetings in Toronto over the week end?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I think the minister's

absence is quite understandable, since he is in Quebec today on an obvious mission.

May I say in answer to the hon. member's question that yes, investigations are under way with regard to the sad situation in the town of Armstrong, and a full report will be made in due course.

Mr. Dinsdale: I have a supplementary question. Has the minister received or asked for a report in connection with the participation of the Company of Young Canadians in this affair?

Mr. Andras: Mr. Speaker, it is known that the Company of Young Canadians has participated on this occasion, and I presume their activities will be described in the report which is expected very shortly.

TRANSPORT

REQUEST FOR DELAY IN REPAIRING U.S. SEAWAY SECTION

On the orders of the day:

Mr. Cliff Downey (Battle River): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce, or in his absence to his parliamentary secretary. In view of the repairs to be made to the United States portion of the St. Lawrence Seaway, which it is indicated will shorten the current shipping season to a point that will make it virtually impossible to keep up our current wheat export commitments, are any efforts being made to arrange with the United States to repair the seaway after it would normally be closed because of weather conditions?

Mr. Speaker: Order, please. I suggest to the hon. member that the question might be placed on the order paper. Its urgency is not apparent to me. The hon. member might wish to have it discussed at the time of adjournment.

ADMINISTRATION OF JUSTICE

INTRODUCTION OF AMENDMENTS TO JUVENILE DELINQUENTS ACT

On the orders of the day:

Mr. John Gilbert (Broadview): Mr. Speaker, a few days ago I directed a question to the Solicitor General respecting the intention of the government to bring forth amendments to the Juvenile Delinquents Act, and the minister took it as notice. I wonder if he has the answer today.

[Mr. Andras.]

Hon. G. J. McIlraith (Solicitor General): The question was whether we proposed to bring forward the amendments at this session. The answer is that the legislation is in the course of preparation. I doubt very much if we will be able to submit it to the house for consideration at this session.

Mr. Gilbert: I have a supplementary question. Is it the intention of the government to set up a youth and juvenile research bureau in view of the serious juvenile delinquency problem we have today?

Mr. McIlraith: I would think not in that form, but a good deal of work is being done on this problem in the department, which I hope to be able to place before hon. members when the estimates of the department are before the standing committee.

HIGHWAY SAFETY

INQUIRY AS TO ESTABLISHMENT OF PUBLIC ADVISORY BOARD

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the acting Minister of Transport. May I say that I am sorry I did not get Your Honour's attention at the minister's weekly brief appearance last Friday. In answer to recent inquiries, can the acting minister say whether the co-ordinating unit on highway safety within his department, as promised on October 17 of last year, is now functioning; and can he also report on any progress on uniform national highway standards?

Mr. Speaker: Order. Perhaps the first question should be allowed, but I believe the second question is of the type which should be the subject of a statement on motions. If the minister so desires he could reply to the first part of the hon. member's question.

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, I believe the Minister of Transport wished to answer this question himself. However, in his absence I would like to make this statement.

During the last session the minister indicated that a public advisory board, composed of representatives from the provinces, industry, safety organizations and other interested groups, would be created to advise and guide him on the problems of road and motor vehicle traffic safety. Accordingly consultations have been held with the officials of the provinces in preparation for a conference with the

provincial ministers concerned. This conference will take place just as soon as the provincial ministers are prepared to convene, and it is expected that the public advisory board will be established immediately following these discussions.

Mr. Bell: I should like to thank the acting minister for this answer and ask him if he will consider a permanent appointment as minister of transport, because we do a lot better with him.

POST OFFICE DEPARTMENT

RECONSIDERATION OF POLICY RESPECTING RURAL MAIL CONTRACTS

On the orders of the day:

Mr. Norman A. Cafik (Ontario): May I address a question to the Postmaster General. I wonder of the government is considering changing its policy in respect of the payment of rural mail carriers.

Mr. Speaker: Order. I wonder whether the hon. member is not asking a question which has already been asked and covered by the minister in previous statements.

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, we have a number of different types of contracts, and we have met with the mail carriers. We are reviewing one or two of these contracts, and I may be in a position to make a statement further to the letter I mailed to the members of this house.

TRADE

PROHIBITION ON SALE OF CANADIAN TURBOT IN U.S.

On the orders of the day:

Mr. James A. McGrath (St. John's East): I should like to direct a question to the Secretary of State for External Affairs in view of the absence of the Minister of Industry, Trade and Commerce as well as the Minister of Fisheries. In view of the appeal on October 2 against the banning of the sale of Greenland halibut in the United States after November 21 by the United States food and drug administration, and in view of the substantial contribution this fishery makes to the Newfoundland fishing industry, can the minister tell the house what role the government of Canada will play in supporting the fishing industry in this most important event?

Mr. Speaker: Again, this is the type of information which would normally be given by the minister by means of a statement under motions. The minister may wish to indicate whether he is prepared to make such a statement on motions.

Mr. McGrath: I wonder whether the Secretary of State for External Affairs would refer this question to his colleague the Minister of Industry, Trade and Commerce, to see if he will make this statement tomorrow.

Hon. Mitchell Sharp (Secretary of State for External Affairs): I would be happy to do so.

EXTERNAL AFFAIRS

MIDDLE EAST—REPORTED ISRAELI OFFER TO VACATE OCCUPIED AREAS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): I should like to direct a question to the Secretary of State for External Affairs. Can he say whether the state of Israel received the approval or support of the Canadian government in its decision to vacate the areas it now occupies in Arab states, with the exception of certain strategic locations? Does the Canadian government believe this is a reasonable suggestion on the part of the Israeli government, and if so has the government given consideration to something which is vital to the continuing integrity of Israel, namely whether the Canadian embassy will be transferred from Tel Aviv to Jerusalem?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the situation in the Middle East is, of course, of very great concern to the Canadian government. Our position has been, and remains, that the best hope for a settlement in that area rests in resolution 242 of the Security Council and in the efforts of Ambassador Jarring to see that it is implemented by both sides. I have heard that the Israeli government is now proposing some immediate measures. These will certainly be looked upon sympathetically by the Canadian government, and we hope they will appeal to all sides so as to promote a settlement.

On the second question, the moving of the embassy from Tel Aviv to Jerusalem, the Canadian government has not taken this step because the question of the future of Jerusalem has been a highly controversial one. The Canadian government did not feel it would contribute to the solution of that problem by moving its embassy now.

Inquiries of the Ministry

Mr. Diefenbaker: I thank the minister for his reply, and I ask him whether the Canadian government gives support to the idea of the city of Jerusalem, with all its sacred monuments and places, becoming part and parcel of Israel.

Mr. Sharp: The best answer I can give to that is that this is one of the most vital parts of the settlement that is now being negotiated. I do not believe it would contribute to the settlement for outside parties to take a firm position on any of these questions. These are matters that I believe are now being negotiated between the Arab states and Israel under the terms of resolution 242.

GRAIN

REQUEST FOR ELABORATION OF STATEMENT ON CANBERRA MEETING

On the orders of the day:

Mr. A. P. Gleave (Saskatoon-Biggar): I should like to direct a question to the Minister of Industry, Trade and Commerce, but in his absence I shall direct it to the acting minister. Having regard to the statement the minister made to the house on Friday, September 27 concerning the Canberra meeting of exporters under the international grains agreement, will the minister elaborate on that statement in view of the fact that Mr. John Schnittker, under secretary of agriculture in the United States, is quoted in the *Globe and Mail* as saying—

Mr. Speaker: Order, please. The hon. member should ask his question directly and not quote newspaper articles in support of his question.

HARBOURS

ROBERTS BANK, B.C.—RESPONSIBILITY FOR RAILWAY LINE

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): May I direct a most urgent question to the Minister of Public Works. In view of the statement made in Vancouver on the immediate situation in respect of Roberts Bank, is the minister in a position now to inform this house whether a decision has been made that responsibility for the route and financing of the railway to Roberts Bank is federal and not provincial?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I would think the matter is still subject to review and discussion. I should expect that the responsible minister, the Minister of Transport, would be making a statement—

Mr. Winch: Where and when? Time is getting short now.

Mr. Laing (Vancouver South): The Minister of Transport is a regular attendant in this house.

Some hon. Members: Oh, oh.

Mr. Laing (Vancouver South): I would expect he will be making a statement on this matter.

Mr. Winch: May I ask a supplementary question. If the Minister of Transport has been reporting to the house on this question, why did the minister make a statement in Vancouver since he does not know the answer?

VETERANS AFFAIRS

IMPLEMENTATION OF REPORT ON PENSION COMMISSION

On the orders of the day:

Mr. Jack McIntosh (Swift Current-Maple Creek): I should like to direct a question to the Minister of Veterans Affairs. Is it the minister's intention to introduce veterans legislation before the end of this year as a result of the recommendations of the Woods commission?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): First of all the Woods report will be referred to the veterans affairs committee. We will have to ascertain what decisions the members of that committee will take before the minister can decide what legislation will be enacted.

Mr. McIntosh: May I ask a supplementary question. Does the minister realize that if this report is dealt with by a committee it will be another year before veterans legislation appears in this house?

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs and ask whether it is his intention to follow the practice of the Postmaster General and continue sending out form letters to members who have written to the minister on behalf of veterans with problems. I am concerned about this matter, sir. Is the department to send out a form letter in every case to the effect that "We are very busy but we shall answer your letter at some time"?

Mr. Speaker: Order. The hon. member's remarks take the form of a grievance rather than of a question.

CONSUMER AFFAIRS

AUTOMOBILES—INCREASED PRICES AND REDUCED WARRANTIES

On the orders of the day:

Mr. James McGrath (St. John's East): My question is for the Minister of Consumer and Corporate Affairs, Mr. Speaker, but it is of such urgency that in his absence may I direct it to the acting minister. In view of the fact that Canadian automobile manufacturers have indicated that as well as increasing prices of their products for the coming year they also intend to decrease the value of what the consumer pays for, by reducing their warranty on new cars, will the minister say whether the government intends to take a public position on both the actual price increase and the fact that there is an obvious value decrease to the consumer, to say nothing of the decrease in protection, in that warranties apparently will be substantially reduced?

Mr. Speaker: Order, please. Since the hon. member's remarks are in the form of an argument rather than of a question, they are irregular.

UNITED NATIONS

BIAFRA—FAILURE TO BRING MATTER BEFORE GENERAL ASSEMBLY

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): I wish to direct a question to the Secretary of State for External Affairs, Mr. Speaker. It is in connection with the minister's efforts to have the United Nations general assembly direct its attention to the Biafran question. Can he advise the house why Canada failed to have this matter inscribed on the general assembly's agenda at a time when Canada could have done so unilaterally?

Mr. Speaker: Order, please. I suggest to the hon. member that his question is argumentative. It is not in proper form and is not acceptable.

AGRICULTURE

CORN—INQUIRY AS TO ASSISTANCE TO ONTARIO GROWERS

On the orders of the day:

Mr. R. E. McKinley (Huron): My question is directed to the Minister of Agriculture, Mr. Speaker. Is the minister in a position to say what assistance the government will give the corn growers, or will he wait until the tractors all arrive here?

Inquiries of the Ministry

Hon. H. A. Olson (Minister of Agriculture): Without replying to the last part of the hon. member's commentary, I want the hon. member to know that the Ontario and federal departments of agriculture are very actively considering proposed solutions as well as the legal and economic implications of those solutions.

Mr. Baldwin: We are in for a long period of gestation.

REPRESENTATIONS AS TO DIFFICULTY OF BUILDING FARM STORAGE

On the orders of the day:

Mr. John L. Skoberg (Moose Jaw): In view of the seriousness of the crop storage situation in western Canada, can the minister say whether he received a letter from the president of the junior board of the Saskatchewan farmers' union concerning the inability of young farmers to build storage facilities because of lack of money and lack of credit ratings?

Mr. Speaker: Order, please. It is not in order for an hon. member to ask a minister simply whether a letter or message has been received by the minister.

Mr. Ed Schreyer (Selkirk): A supplementary question, Mr. Speaker. Two weeks ago the Minister of Agriculture indicated that he would look into allegations that there was a serious shortage of structural steel for the building of grain storage facilities. I take it the minister has looked for two weeks. Could he now make his report?

Mr. Olson: I, as minister, did not undertake to find out the reasons for a shortage of structural steel, or whether in fact there was such a shortage. I said I would try to ascertain whether any department of government was competent to make that sort of inquiry.

Mr. Schreyer: A further supplementary question. Can the minister say what department of government will be prepared to look into this problem?

Mr. Baldwin: The department of active consideration.

Mr. Diefenbaker: The minister of which is not present today.

Inquiries of the Ministry

[*Translation*]

FINANCE

INQUIRY AS TO DEVALUATION OF FRENCH CURRENCY

On the orders of the day:

Mr. André Fortin (Lotbinière): In view of the absence of the Minister of Finance (Mr. Benson), I shall direct my question to the acting minister.

Has the Department of Finance been informed or is it aware, one way or another, of the risk of a franc devaluation and, as a result, of the pound?

Mr. Speaker: I think the question of the hon. member is too general and, as such cannot be asked in the present circumstances.

Mr. Fortin: I rise on a point of order, Mr. Speaker.

Without questioning Your Honour's judgment, I believe that the devaluation of the franc is a very precise subject.

Mr. Speaker: Order. The hon. member knows that the rules allow him to tell the Chair he wishes to discuss the question at the time of adjournment if he believes the Speaker has erred in his judgment.

[*English*]

NATIONAL DEFENCE

MONTREAL—INCENDIARY BOMB AT BLACK WATCH ARMOURIES

On the orders of the day:

Hon. J. A. MacLean (Malpeque): I wish to direct a brief question to the Minister of National Defence. Has the minister any report to make to the house about the investigation conducted by his department into the placing of an incendiary bomb at the Black Watch armouries in Montreal. Especially, could he assure the house that this attempted sabotage was in no way instigated by foreign agents?

Hon. Léo Cadieux (Minister of National Defence): We investigated this incident, Mr. Speaker. As the hon. member knows, the bomb or device had already exploded without doing damage when it was found by the Montreal police. Therefore the matter was not worrying enough for us to conduct a more extensive investigation.

[Mr. Diefenbaker.]

NORTHERN AFFAIRS

PANARCTIC OIL—GOVERNMENT REPRESENTATION ON BOARD

On the orders of the day:

Mr. Ed Schreyer (Selkirk): My question is for the Minister of Indian Affairs and Northern Development. In his absence perhaps his parliamentary secretary might take it as notice. In the light of reports that the government of Canada has put up 45 per cent of the capital of Panarctic Oil Explorations but is represented by only one director on the 14 director board, can the minister say whether the government intends to act in order to alleviate this disproportionate representation?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, may I take that question as notice.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF CANADIAN INDIAN LEADERS

On the orders of the day:

Hon. Robert K. Andras (Minister without Portfolio): While I am on my feet, Mr. Speaker, may I direct Your Honour's attention and the attention of hon. members to the presence in the gallery of some distinguished Indian leaders of provincial and national Canadian Indian organizations.

Some hon. Members: Hear, hear.

SUPPLY

The house in committee of supply, Mr. Faulkner in the chair.

INTERIM SUPPLY

Resolved, that a sum not exceeding $3,776,197,303.75 being the aggregate of—

(a) nine-twelfths of the total of all items set forth in the revised main estimates, 1968-69, for the fiscal year ending the 31st of March, 1969, laid before the House of Commons at the present session of parliament, $4,852,052,274.75;

(b) an additional two-twelfths of Energy, Mines and Resources item 60, Finance item 30, Legislation item 15, Public Works items 25 and 30, Secretary of State item 2, Transport items 15, 25 and 90, Treasury Board item 25, Loans, Investments and Advances items L35 and L125, (Schedule A) of the said revised main estimates, $35,666,415,67;

(c) an additional one-twelfth of Agriculture item 15, Energy, Mines and Resources item 75, Indian Affairs and Northern Development item 34, National Defence items 20 and 50, Privy Council item 15, Regional Development item 25, Secretary of

State items 1 and 65, Transport item 5, (Schedule B) of the said revised main estimates, $6,681,409.50;

Less the amounts authorized by Appropriation Act No. 2, 1968, $1,118,202,797.17,

be granted to Her Majesty on account of the fiscal year ending the 31st of March, 1969.

The Chairman: Shall the resolution carry?

Mr. Broadbent: Mr. Chairman, I wish to say a few words about the Biafran question. After hearing the Secretary of State for External Affairs waffle for several days about the unfortunate situation in Nigeria, we heard the Prime Minister on Friday make a clearcut statement. I welcome the Prime Minister's participation in this serious question but I suggest that his line of argument of Friday last had as its basis bad legal reasoning and an even worse morality.

From the first days of this session of parliament we have heard nothing but evasive answers from the Secretary of State for External Affairs. The minister says that our government does nothing to aid the Biafrans because the Biafran government objects to our using their one airstrip. The minister did not say that that airstrip could be used for the transport of military supplies as well as food; nor did he say that the Biafrans were prepared to build an alternate airstrip if we, in turn, were prepared to send in food and medical supplies.

• (3:30 p.m.)

Next we heard from the Secretary of State for External Affairs that the government was concerned about upsetting the feelings of the government of Nigeria. He suggested that the Nigerian government would be upset if Canada flew medical supplies and food to Biafra. Finally we heard the deplorable statement from the Prime Minister last Friday that any intervention by the government of Canada in the matter of Biafra would constitute an act of war against Nigeria. It seems to me we have gone all the way in the past ten days from evasive platitudes by the Secretary of State for External Affairs to a position of legal improbability and moral indifference on the part of the Prime Minister.

Let me say a couple of things on this point. First, it was by no means clear that if Canada, acting on its own as a nation, were to fly food and medical supplies into Biafra contrary to the wishes of Nigeria, we would be acting in an aggressive or warlike way toward Nigeria. The whole body of international law as it has developed since 1945 suggests that strictly from a legal point of view the Canadian government would be acting quite properly. The Canadian government could cite all kinds of precedents both in international law and in conventions passed by the United Nations to support its position. The United Nations convention against genocide, the United Nations statement on human rights, the legal precedent of the Nuremberg trials—all could be cited by the Canadian government in support of a decision to send food and medical supplies to the starving people of Biafra whether or not the government of Nigeria approved.

In saying this I am not suggesting that genocide is necessarily being practised in Nigeria. This would presuppose a deliberate policy on the part of the Nigerian government to murder a whole group of people, which is not being assumed by myself or by my hon. friends in the New Democratic party. But we do know that thousands of people are starving daily and we do know that from this point of view we could and should act. Surely this is all that is required. It is not necessary to presuppose that genocide is being committed. We do have good evidence from independent bodies all over the world that thousands are starving and this should surely be enough to justify us in going ahead.

Even in terms of international law Canada could present a good case, in my view, for going ahead and acting as a sovereign state. Of course, what many members of the house have suggested is that Canada should not act as a sovereign state but should act indirectly through the International Red Cross as Sweden has done. Does the Prime Minister, who comes here with his moral homilies about private behaviour and government behaviour, really suggest that the government of Nigeria would say that Canada, by bringing food and medical supplies to Biafra, was engaged in a belligerant, hostile and warlike action? Would Nigeria dare claim before the United Nations or any other international body that by bringing food and medical supplies to a group of starving people we were acting in a warlike manner? I suggest this is nonsense, and the government must know it is nonsense.

I placed a question before the Secretary of State for External Affairs a short while ago and received an answer to the effect that the Nigerian government has not suggested to the Canadian government that an action of the kind I am supporting in terms of providing food and medical supplies to the people of Biafra would be seen as an act of war. It would appear, therefore, that this is simply

an assumption made by the Canadian government itself, or else it is a loosely worded, inflammatory statement made by the Prime Minister to avoid moral and political responsibility. Instead of helping starving people the Prime Minister has presented to the house an argument which I suggest is without legal foundation in terms of international law. At the very least, it can be thoroughly disputed in terms of international law. Yet he has presented this view as a self-evident truth which no reasonable and intelligent men should take for granted.

As I say, from a legal point of view it was probably an erroneous statement to start with. But beyond the question of legality lies the moral issue. I suggest that even if in terms of international law the position taken by the Canadian government in deciding to send supplies were seen to be incorrect, we do have nevertheless a moral responsibility when thousands of people are starving. The same thing happened in the thirties in Germany. Many governments at that time took the position that it was an internal matter; they did not want to upset relations with another government so they did not concern themselves. Are we to stand back now, at the end of the sixties, at a time when thousands of other people are starving and base our apology for lack of action on a dubious line of reasoning to the effect that we might be acting illegally? To me, this is a clear act of bad morality and something of which we in this house should be thoroughly ashamed.

I welcome the Prime Minister's decision to take part in a discussion of this question. He finally did have something to say to the house on this subject when he spoke on Friday. Unfortunately, what he had to say was illogical, misleading and morally offensive.

• (3:40 p.m.)

[*Translation*]

Mr. Caouette: Mr. Chairman, just a few words at this stage of the debate on interim supply to refer to some assertions or insinuations made in this house last week, last Friday to be more precise, by a government member. I want to say that the hon. member for Trois-Rivières (Mr. Mongrain), former mayor of his city, former independent member of parliament, stated in this house, after a referendum held in his riding, that 92 per cent of his electors preferred to see him remain an independent member rather than see him shift his political allegiance to any political party whatsoever.

[Mr. Broadbent.]

Last Friday, referring to the spokesman of the Ralliement Créditiste, the member for Trois-Rivières said:

> The spokesman of the Ralliement Créditiste has of course referred again to the philosophy in which he believes—and I think he is sincere—but it does not seem practical to those who feel that one has to live within one's means.

The member for Trois-Rivières was then speaking exactly like the ministers of the crown, the Prime Minister (Mr. Trudeau), and the other members of the government party, today as well as in the past. In fact, when Conservatives were in office, they were saying exactly the same thing, that the Créditiste doctrine however good it may be is not practical, and that we must, indeed live within our means.

Mr. Chairman, in our opinion, the means at our disposal are those which allow us to develop our natural, intellectual and other ressources. We should adjust our finances to these possibilities instead of trying to adjust our development to our financial means. That is the realistic thing to do. We see and we face reality, while succeeding governments only see financial objections to the programs which could be undertaken in Canada.

If we ask ourselves: Can we build housing for those who need it; do we have wood; do we have nails; do we have bricks; do we have the materials necessary? In my opinion nobody knows the answer. Everybody without exception will answer: We have all that in Canada, but we do not have the money to put the materials together and to build houses for our people. And it is the same in all fields. There is an ever-growing need for universities, hospitals, schools, but it never occurs to a member to ask himself: Do we have contractors, engineers, talented men, people with a good head on their shoulders? Do we have materials to build hospitals and schools, or whatever we need? But we say at once like the member for Trois-Rivières (Mr. Mongrain, who incidentally does not depart from the custom of the old parties, that we do not have the necessary money.

At present, Mr. Chairman, it is fantastic to see what is happening in Canada. Our municipalities kneel before the government, begging it not to discontinue winter works which helped municipalities during the difficult months of the year. To provinces which have to deal with great financial problems, the federal government says: Tighten your belt because we have no money either, no

credit, no financial means. We too have to cut expenditures, not because we do not need services, or we do not want to provide them, but because we do not have the means to financing them. That is the problem, but nobody is tackling it. On the contrary, we go on saying, like the hon. member for Trois-Rivières, and I quote:

I know that our friends in the Ralliement Créditiste have a magic formula, and I would be the happiest man on earth if it were adopted.

However, he does everything he can not to understand it, and he keeps repeating that the formula is magic. The hon. member for Trois-Rivières is certainly in the clouds, as all the others. If a war was declared to-morrow morning, I expect the hon. member for Manicouagan (Mr. Blouin) would also find it funny, but God knows that there are a good many destitute people on the North Coast.

Mr. Blouin: Mr. Chairman, I rise on a point of order.

Mr. Caouette: Is this a point of order or a question?

Mr. Blouin: Would the hon. member allow a question?

Mr. Caouette: Certainly, Mr. Chairman.

Mr. Blouin: If the hon. member for Temiscamingue reads further in *Hansard*, he will see that I too, last Wednesday, spoke about the notice of motion presented to the house by the hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle).

Mr. Caouette: I take the word of the hon. member for Manicouagan, Mr. Chairman. I accuse him of nothing I simply quote certain facts. I tell him that the majority of the members in the old political parties who sat on the government side have always given the same answer, and the hon. member is aware that this government gives exactly the same answer as the previous one.

What I want to bring to the attention of the hon. member is the fact that in his riding as in mine, as in all the other ridings, we have to face the same problems which are not problems of production but problems of distribution of existing goods. The goods exist, if they did not, it would be different.

If we lived half a century ago, we would have to ask ourselves by what means a man could double or treble his production, or even increase it fivefold. But today this is not the case anymore. With automation, with the use of modern discoveries, science and machinery, the Canadian produces a hundred times more than he can consume and I have had, Mr. Chairman, a weeklong example of this. I happened to be a member of a delegation of French-speaking Canadian parliamentarians and to meet in Paris and Versailles French-speaking parliamentarians from Africa, Europe and South America. We were able to witness each and everybody's problem while encountering people eager to reach arrangements and understandings as between members of the great French-speaking family. We are not against this; we are aware, however, that their problems are not confined to the aspect of language but have also to do with economics. As for the black people of Africa we met, their sole desire is to enjoy the right to live in their homeland; they ask for nothing else.

Some hon. Members: Hear, hear.

• (3:50 p.m.)

Mr. Caouette: In France, Quebec is often quoted as an example. They tell us: France is going to save you. Mr. Chairman, the contrary is far more probable, for Canada could perhaps help to save France.

During our stay in France, we learned that the Fiat Company is controlling today 30 per cent of Citroën, because the French did not have the necessary capital to save their own automobile industry.

Some tell us that France will save us financially. I studied the French standard of living. Please note that I am of French descent, but I am a Canadian, and if the two countries must be compared, let us not be shy about it. On the last evening of our visit we were invited to a formal banquet. There were men and women there who came from all parts of the world, or almost, and I had the opportunity of discussing with someone who is active in politics. But I was not content to attend that banquet only. I had the opportunity of visiting French workers, of seeing French farmers, their organization with regard to productivity, their means of distribution, of seeing what the standard of living of the French worker, of the French farmer is compared to that of his Canadian opposite.

Mr. Chairman, the difference is unbelievable. The salaries in France do not amount to even 50 per cent of the salary paid to our Canadian workers. The worker in France pays about 35 to 45 per cent more rent than a worker in Canada; and here, in Canada, how we complain about the rents being too high. You can imagine what the situation is like in France.

I ask about the cost of a pound of butter and I am told it is $1.35 a pound. I am speaking about France, not about China, and their workers earn half as much as ours. To our question: How much does an automobile worker earn in the employ of Citroën or Renault? We get the reply: from $2,400 to $2,700 in Canadian dollars. It is higher.

And with regard to modern conveniences, they know nothing about it, absolutely nothing. I was staying at the *Hôtel Royal de Versailles*. It is time-worn, it is old. They have not got around to installing toilets next to each bedroom: you have to go down the hall, as we used to do here in Canada 35 years ago. Their way of life is not at all like ours. They are perfectly happy with their traditions, and God knows there are many. We saw quite a number of castles dating from the reigns of Louis XIV and Louis XV, as well as huge and marvelous paintings, but this does not prevent the complaints of the individual dying of hunger. This is always something!

Mr. Chairman, meanwhile the farmers are stuck with their products. This is in France, not Africa. In Africa, the conditions are not any better, they are worse, Africans are asking France to help them. From the cultural point of view, I recognize that France has a part to play, but the Frenchman is mostly interested in economic matters.

In Africa, the same problem exists. A French-speaking priest from Madagascar told me that they had just received a gift from the United States: three modern and well-equipped ambulances with drugs, lancets, and the like. They sent that to us in Madagascar, but imagine the difficulties we have encountered. They are too long for our roads and too wide for our streets, it takes the whole width of the street. We had to park the three ambulances in a field and it was hardly large enough for them. These are facts, Mr. Chairman. To turn in a Madagascar street, the ambulance would have to back up at least three times and go forward four times before being able to get around the street corner. It is not modern.

We must not bear a grudge against those people, but when we hear some people here clamouring that Canada is deprived of everything, it is false. However, Mr. Chairman, I do not mean that we must not try to correct abuses which do exist in Canada. This should not prevent us from seeing that a large number of our people lack the necessities of life.

On the whole, we have much greater opportunities here than in any of those countries, France included.

French culture is all well and good but if we have to go back 50 years, Mr. Chairman, we are not interested. Before going to France, I did not mind too much hearing "Frenchmen of Canada". But when I came back, last night, I much preferred to hear "French Canadians". It might mean the same thing, but I am not prepared to say so.

We are happy to be Canadians and in spite of everything we hear, the delegates from other countries respected us when they knew we were from Canada. There were only six Canadian parliamentarians and we were treated like kings with great tactfulness.

We noticed on the spot that their problems are still unsolved. Before trying to solve ours, they should deal with their own because that will keep them busy for a hundred years. For at least a hundred years, because there has been little change in a great many years.

All that, Mr. Chairman, to say that I have been asserting for the last 25 years that we live in the country with the greatest potential in the world. Our country has more natural resources than the United States. However, we must consider the fact that modern technology and evolution nevertheless originated in the United States which, no matter what people say elsewhere in the world, have rendered tremendous services.

We had the occasion, for instance—I mention that in passing—of speaking of satellites to extend the French-speaking community or enable citizens in French-speaking countries to see one another on television. But the technical facilities in all those countries are next to nothing while the United States controls 95 per cent of the facilities already in operation. Whether it is in English or in French does not matter, the technical possibilities belong to the United States.

• (4:00 p.m.)

Even if we wanted it to be otherwise, and in some areas Canadians are stirred up against United States, we should realize—as shown by facts—that our standard of living is closely related to that of the Americans. However, this does not mean that we should let ourselves be exploited or crushed. No. But let us begin by understanding that what we have, we have not created by ourselves; that we have been helped on our continent, not by Africa, not by China or Russia, but by a country on our continent. And before making wild gestures against our neighbours, let us

start by watching what goes on in other countries of the world, and then we will become realistic.

Mr. Chairman, we all wish to become fully independent and have a maximum of sovereignty. This is everybody's wish. This is each individual's wish, whether he comes from a family of 10, 15 or 20 children. Each one wishes to attain his own individual freedom and his own individual sovereignty. Whether he is a businessman, a professional, or a farmer, or whether he is working in another areas of the Canadian economy, each individual wishes to be respected and not to receive orders from anybody.

We are all individually and collectively in the same situation. We wish to be a sovereign nation. Unfortunately, there is a impediment preventing Canada from becoming sovereign. The impediment is of a financial nature. It is not because there is a shortage of intelligent people. Not at all. It is purely and definitely financial, but every government has managed to overcome that financial impediment or hindrance for war purposes. If a war were to break out tomorrow morning, no minister would rise to say: Unfortunately, we cannot participate in the war effort because we have no money. On the contrary, all of them would introduce a motion providing for the adoption of the necessary estimates in order to set up war industries and to set the whole system in motion. Nothing would be lacking, of course not. We would be told, this is an emergency.

Emergencies exist in peacetime just like in wartime. When Canadian mothers wonder what to give to their children the next day, it is essential for a responsible government to assume its responsibilities. It is urgent for a government composed of human beings, blessed with intelligence, to see through those fictitious impediments created by those who control the economic blood of the nation, those who control our money and credit are the real leaders of the country, those who grant permissions. But people like the hon. member for Trois-Rivières (Mr. Mongrain) do not see that.

The hon. member for Trois-Rivières continued and I quote:

> I excuse most of my friends—

—he was talking about the Créditistes—

> —for I believe them to be sincere, but, in my opinion, it is to mislead people who are uninformed—

Imagine if this is an intelligent remark. The hon. member for Trois-Rivières is no doubt well informed, and this is why he sits on the last benches of the Liberal party. We can be sure that he will stay there for a long time. I am convinced of this—because puppets never get very far in this world. To be a good backbencher you always have to stand up and fight. I continue my quotation:

> —to make people who are uninformed believe that these things could happen thanks to a magic wand which would reform the entire system is to mislead them.

Why talk about a magic wand? There is no question of a magic wand. It is simply a question of passing legislation like any other which we have already passed. Let us pass legislation in order to suppress poverty in Canada—call it what you want—but it will be legislation which will make everyone reasonably well off.

This does not mean that everybody will be rich or a millionaire, but it does mean that every Canadian will at least be assured of a decent standard of living, of a minimum of comfort. He will be assured of having three meals a day, decent clothes, decent housing, medical care when necessary and of getting the education that is available and must be accessible to all. That is the vital minimum, a decent standard of living. Once that is provided, let competition and private initiative be free. If someone has enough initiative to build up a good business or to run an important industry, let him be free to do so, but at least let all the people without exception be assured a decent standard of living. We do not need a magic wand to bring this about, merely a law which will guarantee a decent standard of living.

The Prime Minister told us the other day: We have no money. However, he did not tell us that we have no schools, that we have no clothes, that we have no hospitals, that we have no doctors, that we have no professionals, that we have no different social classes, for he knows that we do have them. He did not tell us that all the stores in Canada are overstocked with goods, that not a single one of them has run out of goods because manufacturers have quit producing them. Nor did he tell us that the farmers had quit producing. No. We are even stuck with agricultural produce, with wheat, and in our own provinces stuck with our fruit and vegetables. Why? Because we cannot sell them. The Prime Minister did not say there was a shortage of those things.

He told us: For a lack of money, we are forced to discontinue those services, we are forced to discontinue winter works programs,

we will be forced this fall to study with the provinces the possibility of decreasing social welfare to those who are totally destitute. We are forced to. By whom? By finance, by the financial system.

And at the same time, we are told through the interim supply bill that the interest alone on the national debt of Canada will cost this year, without taking into account the interests the provinces, municipalities, school boards, and individuals will pay, one billion and a half. The Prime Minister did not say: We will ask the financiers to wait ten years before we start paying them premiums or interest. No, that is sacred, we have no right to touch that.

In fact, the total interest this year amounts to $200 million more than what we paid last year. Two hundred million dollars! This is just peanuts according to the government. It is possible that Canadians are overtaxed to provide for the paying of interests to capitalists, that cursed race devouring Canada. We are caught in those conditions, but nobody considers introducing some legislation. We hear about a magic wand to change conditions.

Mr. Chairman, I do not intend to dwell on that matter. I simply wish to tell you how much some hon. members, such as the hon. member for Trois-Rivières, are off the beam and that they are precisely those who prevent the passage of federal legislation which could guarantee decent means of living to which I referred earlier to all Canadian citizens.

Mr. Chairman, I believe that the consideration of the supply motion provides a good opportunity to emphasize and clearly state what is suggested by the Créditistes when they say: To make financially possible what is physically possible. Not create endless, unlimited credit, but according to what we can physically do. Newspapers will not say a word about that.

An hon. Member: They are not there.

Mr. Caouette: They are not there; anyway, there is no one in the gallery. They are there when the time comes to attack the Ralliement Créditiste or Social Credit, or to say: The Créditistes repeat themselves. To my knowledge, newspapers have been repeating themselves by flattering the Liberals, then the Conservatives, for about 35 years. Nothing changes, but we do not worry about it. They did not give us our seats in parliament and they will not turn us out either.

[Mr. Caouette.]

However, we shall make every effort to have accepted the system we suggest, that is to make financially possible what is both physically possible and desirable for the people of Canada. It is as simple as that. It is not a question of a machine which will print endless dollars, it is a question of making credit available on the basis of the rate of production of the Canadian people. It is an economic system, an accounting system. It is Pius XI—and not I—who said in 1931, 37 years ago already: Economics will only reach its objectives when it will make available to everybody—not only to the Liberals, not only to the Conservatives, not only to the members of the N.D.P., but to everyone—a part of the goods that God's nature and men's industry can produce, and such a share ought to be large enough to provide for each and every one at least a decent living. This was said 37 years ago. Still, up to now, the point has not been understood. Delegates and ministers are sent in Europe, and everywhere else. They are supposed to find world markets for the export of our current products, of Canada's production next year, and so forth. Ministers are sent to inquire from our own nationals and find out what they need. In our opinion, the first demand that should be satisfied is on the Canadian market. Now, let us first meet the requirements of that market. Afterwards, we might send ministers to France and other European countries, to Africa, Japan, China, the North Pole and the South Pole, and dispose of our excess products. But in the meantime, Mr. Chairman, I wish the government would take its responsibilities and give us a system that will help us satisfy the needs of each and every Canadian citizen.

Some hon. Members: Hear, hear.

Mrs. MacInnis (Vancouver-Kingsway): Mr. Chairman, the leader of the Ralliement Créditiste spoke eloquently of the opportunity to help peoples in other parts of the world. I agree with him that we are happy to live here in Canada, where conditions can be changed and improved. I also agree with him in recognizing that we must work now to bring about the necessary changes and improvements, and that is why I want to speak of Canada this afternoon.

Some hon. Members: Hear, hear.

• (4:10 p.m.)

[*English*]

Mrs. MacInnis (Vancouver-Kingsway): I feel that the Canadian people as a whole are very much disposed to give this new government a full chance to show what it can do,

knowing that it is the first government for a long time to be in a majority position, although some of us felt that the former government had a *de facto* majority. However, this time there is no doubt on the point. Therefore I believe that most Canadians are saying: Now that they are there for the first time with a big majority, let us see what they can do.

We are all in accord with the objective of the government in trying to streamline parliament and become more efficient in the ways in which we do things here. We are not going to be in accord if it comes to the point where the opposition will be silenced or restricted in bringing to the attention of the government the conditions in this country and the needs of our people. We, too, have suffered from the old-fashioned methods of carrying out the business of parliament and we are thoroughly in agreement that we need a greater modernization and streamlining of our parliamentary procedures. However, Mr. Chairman, I think there is a real danger that in streamlining the procedures of parliament the government may be inclined to take for granted that it can talk in terms of getting ready and proceeding to explore programs and policies for future years, and does not have to do anything in the immediate present to look after the needs of the people of this country. I would point out that those needs are very great at this time.

In short, I am afraid the government may be throwing out the baby with the bath water because people, tolerant as a great many people in our constituencies have been, are worried about certain moves which have already been made in respect of the needs of Canadians. I refer to the cutting off of the winter works program. I refer to the fact that we have been told there will be no increase in family allowances this session in spite of the rise in the cost of living. I refer to the fact that we have been told there will be no increase in the basic old age security pension even though the cost of living has risen tremendously.

I refer to the casual reply given today in connection with veterans legislation. I know such long range programs will take time but I feel there will be a terrible interim between now and subsequent sessions when, if these programs are not improved, people will continue to suffer hardship. People like ourselves, who are reasonably well off, know nothing about the hardship these people will have to endure. We do not know what it feels like to live from pay cheque to pay cheque. We do not know what it feels like to be mortgaged to the hilt as a great many people are, even people fairly well off relative to the poverty line, in order to get all the things that modern advertising tells us are "musts" if we are to live like modern human beings. We do not know what it is like to suddenly have an increase in the cost of living, or to find oneself or one's family stricken with illness, or in one way or another to have the pay cheque removed. It is a catastrophe when any of these things happen.

I am afraid this government does not realize that there are in our country people for whom the just society cannot be put off until next year, the year after that or the year after that, that the beginnings of the just society must be made manifest in a great many more concrete ways this session. It is all very well to say that we cannot afford these things. However, I looked at the estimates the other day and saw that a very nice, big chunk of money, $27,246,000, had been allocated for a medical research council. I am not quarrelling with that, although I would like to know more about how this money will be spent. But I also note that in the estimates there is no similar allocation to start a human research council to carry out research into the conditions under which people in this country live and to which the leader of the Creditistes just referred.

It seems to me that so far in our deliberations in this house one thing has been almost overlooked. I refer to a brand new point in the report of the Economic Council of Canada. This feature of the report has been highlighted in the press. It was again highlighted in the Toronto *Globe and Mail* today. I refer to the poverty that exists in this country, poverty which we condone as the headline in the Toronto newspaper says. It is pointed out how very low the minimum wages in this country are relative to the needs of families living under today's conditions.

Evidence is mountain high that conditions in this beautiful, rich country of Canada, as we heard it described this afternoon, are far from what they must be if we are to develop the full potential of our population. We know that half our population, the lower income half, is living in varying degrees of insecurity and frustration. We know that one Canadian in five is living in poverty. I suggest to hon. members that when half of the population is living in varying degrees of insecurity and

frustration we have an unstable, unsatisfactory situation with regard to which the government must take action. Even if the government's majority were twice as large, if it does not take action it is heading for trouble, in capital letters, because people will not stay indefinitely in such a condition.

I think there is still some misunderstanding, certainly in some government offices, about the modern meaning of the word "poverty". In order to do away with any misunderstanding on this point. I quote the definition given recently by the Economic Council of Canada. I do so because I do not think it has been brought home sufficiently. It is as follows:

> To feel poverty is, among other things, to feel oneself an unwilling outsider—a virtual non-participant in the society in which one lives. The problem of poverty in developed industrial societies is increasingly viewed, not as a sheer lack of essentials to sustain life, but as an insufficient access to certain goods, services, and conditions of life which are available to everyone else and have come to be accepted as basic to a decent, minimum standard of living.

The economic council is at pains to point out that poverty is relative. This means that even if conditions in Canada are much better than those in Africa, France or anywhere else, conditions here are not, relatively speaking, much better because in Canada the difference between poverty and affluence is very great. People in this country who are poor can see others with wealth, affluence, comfort and security, to which they themselves have no access.

We in this group have worked very hard over the years to have measures of social security passed to close that gap. But I point out that we have today reached the stage where social security measures necessary and indeed essential as they are, are no longer enough. We have to go beyond social security. In a society where no one has a modern car, no one is poor because he does not have a car. However, in our society the great majority of people have cars. This means of transportation has become the accepted way of life and those without cars are regarded as substandard people living in substandard conditions.

• (4:20 p.m.)

It is all very well to talk about the dignity of poverty. There is no dignity in poverty and no status in poverty and we should not be thinking in terms of more handouts here and there and more social security here and there.

[Mrs. MacInnis (Vancouver-Kingsway).]

This is not enough, necessary as it is. We have to give people access to those things which will make modern living possible for them.

Old age pension, family allowance and unemployment insurance measures have been enacted as well as measures during wartime to control the prices of goods and services. Again I agree with the leader of the Créditiste party that if during a war in an emergency something can be done to control the cost of living, this same action can be taken in an emergency in peacetime. If half the population suffers from some degree of insecurity and frustration and one-fifth of the population is in poverty, how many more people have to be in such a state before it is considered an emergency? There is an emergency now for 20 per cent of Canadian families who do not have the basic things they need.

We have enacted measures to help the provinces with various social security programs. Now we have medicare. I was glad to hear the announcement over the week end that on April 1 Manitoba will also join the federal medicare program together with Nova Scotia, British Columbia and Saskatchewan. I have been prophesying for a long time that the old age pension story would be repeated all over again and that after the first province joined the others would dribble in one after the other, as they did with the old age pensions program, and it will not take nine years for them to do so in this case. The Prime Minister said with reference to medicare, "we have had enough of that free stuff", but the people of Canada have got to the stage where they are determined to live in a modern way.

Whether the government likes it or not, it is now deeply involved in the problem of ensuring that modern housing is provided for those who cannot afford it themselves. It is true that the Minister of Transport may now be riding off in all directions at once as did Don Quixote on his horse, Rosinante, with a task force which I believe is now creaking a bit in the joints. But all the same the government will find out that a task force on housing will not bring the horse to the stable. She will also have to be fed and looked after properly because the people want housing and want it badly.

When we find several cabinet ministers as well as the Leader of the Opposition advocating a guaranteed annual income, we can see that the pressures for social change are mounting fast in this country. These pressures are greatest in our big cities. I think

that the problems of the cities must be dealt with in a big way and must be dealt with now. We should not wait until we have the just society in a blueprint to deal with the problems in big cities.

Some hon. members may have seen the article in the Montreal *Star* of September 19, 1968 quoting Adolph A. Berle Jr. It said:

> In a recent issue of *Saturday Review*, Mr. Berle launched an attack on the facade of the gross national product—that annual figure which politicians and economists love to cite as reflecting a nation's economic health. All the GNP tells us, Mr. Berle contends, is how much money is expended in any given year for goods and services. What it does not tell us is what he calls the gross national disproduct: the toll taken on a society by garbage, waste, air and water pollution, violence, vandalism, malnutrition, disease, deaths and injuries caused by motor vehicles, respiratory ailments related to consumption of tobacco—

Where is the hon. member for Surrey?

> —and so on.
>
> Until those things are also computed and subtracted from the GNP to arrive at true net national product (not as that term is used at present), we will not have an accurate picture of our society and its needs, says Mr. Berle. It is a refreshing theory and one that does not deserve to be brushed off, as it already has been by some economists. Their sole job, they argue, is to compute, not philosophize or indulge in value judgments; they have no way of determining what is "good" or "bad".

It is because we need so badly an accurate picture of our society and its needs that I would seriously urge an item in the estimates for a human research council. I submit that there is another reason for it apart from building a quality society—and how I was taken to task for that term when I referred to it last year in the committees. I think we badly need a quality society. I submit there is another reason why this government, beside building a quality society, should undertake human research with special emphasis on urban dislocations and urban problems.

If the government is to spend the taxpayers' money wisely and if it is to cut out waste and unnecessary spending, we must have an accurate picture of today's society and its needs. If we are to have a just or even a sane society, we will have to look hard at certain areas in our population. We will have to be prepared to spend money on them so that we can cut expenditures in other areas.

I wonder whether we have any idea of the cost of poor housing across this country. I wonder whether any estimate has been made of how much taxpayers' money is going into the cost of physical and mental illness, delinquency and crime, family breakdown, divorce and all the other social ills which stem from bad housing. I think there is a scandalous waste of the taxpayers' money in these directions. To say simply that municipal, provincial or federal money will be spent on them is no answer, because John Q. Public and Jane Q. Public have to pay the bill whether it is spent through the federal, provincial or municipal authority.

Today we are spending millions of dollars of the taxpayers' hard-earned money on completely unnecessary expenditures which arise from bad conditions owing to bad housing, bad town planning and bad environmental conditions for our people. The same thing is true of pollution. We are just beginning now to realize the vast amounts of taxation which will be needed to cope with pollution if we allow it to continue. Pollution of water, air and soil and noise pollution all exact their toll not only in terms of human well-being but in terms of wealth production and in terms of having to pay hard-earned taxes to try to clean up the mess. Neglecting pollution means a scandalous waste of taxpayers' dollars.

Then we come to the people themselves, the waste of our human resources both from the standpoint of our own development and the development of the wealth production of this country. Thousands of people now on social assistance could and should be converted from social outcasts into self-respecting citizens and taxpayers.

I have been through the public housing developments in my own and in adjoining ridings and I know there are men and women there eating their hearts out because they are obliged to live on social assistance with its stigma of public charity when they know perfectly well that if they could get the necessary training for the kind of work they could do they would be able to hold up their heads with pride and contribute their share to the wealth of Canada instead of having to sit there and take handouts. These people are not down and out, except that they are shut out of our way of life; they are shut out of the community of life that the rest of us share. Research into human problems could aid enormously in developing a process for getting these people off social assistance and on to the taxpayers' rolls.

Interim Supply

• (4:30 p.m.)

This week, in Ottawa, the final sessions of the royal commission on the status of women are being held. I want to say to hon. gentlemen on the ministerial benches that in my view the biggest single waste of human resources in this country now is the waste of womanpower which is not being used properly across this country. I am not referring to women who are comfortably situated because their husbands can earn enough for both of them, and who go out and do much needed community work in their spare time. I am not referring to the professional women who are able to get out and fight their own battle for equality, or to the technically trained women. I am referring to the housewives of this country, many of whom must go out and earn a living because there is not enough in one pay cheque to keep the family according to modern standards.

These women are not aided by the manpower legislation we have now because while there is a man standing by with the name of husband, they are precluded from getting the training they must have. This is wrong. It is a terrible waste. I notice a large yawn by a Cabinet member opposite whom I shall not identify. This situation should not be permitted to continue if this government wants to go on for its full term. Women scorned are notoriously apt to turn on the people who do the scorning. I feel sure that the women of this country are just beginning to get well organized. I should like to see this womanpower harnessed.

It is the women of the lower income groups about whom I am most concerned. We need to provide machinery so that they do not have to neglect their families. I know that we are going to have to provide machinery for child care bit by bit, so why not do it now on the proper scale? An ounce of prevention is worth a pound of cure. If we are to prevent this waste of womanpower, we should not be shutting these women out of places that can provide the training they need. We should not be forcing these dreadful catch as catch can arrangements for the care of their children, because most of these mothers have no means of seeing that the children are properly looked after while they are earning what is needed.

Another group I wish to mention is our young people. They are probably the most important group of all because they are the ones who are going to be taking over when we are finished. You will notice that I said "we", because I think even the youngest in this house will not be going too far into the future if we continue to have measures such as we have had in this house. Young people today need a purpose in living, and that is why the universities have become the hotbeds they have. Of course, there are some young people there who are feeling growing pains. There are some others, undoubtedly, who are hell raising. There are some others who are there just raising a fuss for their own purposes. Most of the fuss, though, that is being raised in universities is being raised because the young people today feel that there is no genuine social purpose animating our communities in Canada today, that our government is not giving the lead in the new direction that we need, that it is leaving out certain sections of the population altogether.

The young people feel that the government does not really provide enough channels for them, does not provide the new ideas for the kind of development in this country that will enable us to have the quality living that we have to have in the future. These young people do not want to become adjuncts of manufacturing or advertising establishments. These young people want to be engaged in creative and scientific work in the service of their community and communities beyond the seas. They do not believe they are getting the leadership they need from this government.

These are some of the things I want to say this afternoon because I think I speak for a very large community of people in Canada. I know I speak for the people in Vancouver-Kingsway because there are few people in Vancouver-Kingsway who are sitting down expecting a government handout. However, there are many people who have to have help with their problems, just as there are in other ridings. There are a great many people indeed who feel that life is more than getting a pay cheque apportioned to cover the cost of the modern appliances for modern living. They want to see quality living.

These people want to see educational opportunities for their young folk, opportunities away beyond what these young folk can get today. They want to see the older people have the opportunity to do their share of the needed work of the community without being penalized in regard to their already pitifully small pensions. These people want to see a better country. I speak for them this afternoon, Mr. Chairman, and urge this government, before they get settled into the old rut

and the old ways of governments, to realize that we are in 1968 and that a new century is just around the corner.

Motion agreed to.

Resolution reported and concurred in.

WAYS AND MEANS

The house in committee of ways and means, Mr. Faulkner in the chair.

INTERIM SUPPLY

Mr. Drury moved:

That towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending the 31st March, 1969, the sum of $3,776,197,303.75 be granted out of the Consolidated Revenue Fund of Canada, as set forth in the resolution concurred in this day in the committee of supply.

Motion agreed to.

Resolution reported and concurred in.

Mr. Drury thereupon moved for leave to introduce Bill No. C-108, for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1969.

Motion agreed to and bill read the first time.

• (4:40 p.m.)

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

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

Mr. Drury moved the second reading of the bill.

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

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, before we pass this motion for second reading could we have a firm statement from the government as to its intentions with respect to the balance of the current year's estimates? When we have passed this bill we shall have passed over 75 per cent of the year's estimates, only the amounts for the months of January, February and March remaining to be passed. There also remains in the minds of hon. members of this house the notion that we ought to discuss estimates. Is it the intention of the government to refer most or all the estimates for this year to the appropriate committees for study?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, it would be the government's intention to refer the estimates we have been dealing with today to an appropriate committee for study and report.

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time, considered in committee and reported.

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

An hon. Member: By leave, now.

Mr. Drury moved the third reading of the bill.

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

Some hon. Members: Agreed.

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

HOUSE OF COMMONS

SPECIAL COMMITTEE—PROCEDURES RESPECTING INSTRUMENTS IN VIRTUE OF STATUTES

The house resumed, from Wednesday, September 25, consideration of the motion of Mr. Macdonald (Rosedale):

That a special committee of twelve members, to be named at a later date, be appointed to consider and, from time to time, to report on procedures for the review by this house of instruments made in virtue of any statute of the parliament of Canada.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the motion which has now been called was being debated on Wednesday, September 25. A number of members had spoken and I believe I had the floor when debate was interrupted. Before continuing with my remarks I express the hope that the Minister of Justice (Mr. Turner) might be asked to come into the house—if this is one of the days he is allowed to come—because I regard this as a matter of considerable importance.

I was talking last Wednesday and propose to continue talking about a particular order in council which was passed on April 25 of this year by the present government. I refer to this order in council because it shows, in an outstanding way, the need for the kind of committee we are proposing to establish, a

committee to consider ways and means of reviewing legislation that is enacted by bodies to which we delegate certain authority.

As was indicated in speeches last Wednesday, quite a few boards, commissions and other bodies are given authority to enact legislation. I wish to refer to one particular body, namely the cabinet itself. I think the committee to be established by this motion ought to take a pretty good look at the way in which the cabinet exercises authority under orders in council to enact legislation, and some way ought to be established of reviewing this practice.

The particular example I referred to last Wednesday bears mentioning again. By way of background I reminded hon. members that in June, 1962, the Conservative government of the day passed an order in council which had the effect of raising import duties. It is generally understood, I think, that the law of the land is that only parliament may impose taxation. The Conservative government in 1962, just after the election of June 18, found a novel and ingenious way of raising taxes by order in council. They did it in a one-two way.

Initially they raised taxes by a considerable amount under a section in the Customs Tariff. Then they reduced those taxes to the level they wanted to achieve by using section 22 of the Financial Administration Act, which gives the Governor in Council power to remit any tax if the Governor in Council feels that it is in the public interest to do so.

• (4:50 p.m.)

I will not go into all the whys and wherefores of the 1962 story but I repeat with emphasis that the Liberals of the day attacked this action bitterly and vigorously. One after another, led by Hon. Paul Martin who was in the front row and supported by the present Minister of Justice who was in the back row, they stood up and denounced what had happened. We were in the fight, too, but the main point of my story is that the Liberals contended that this action by order in council was invalid and illegal. Both they and we tried to get the government of that day to give us the opinion from the Department of Justice upon the basis of which it had been decided that this order in council was valid. The government refused. Hon. Paul Martin had a motion on the order paper seeking to have this opinion tabled. We debated it at length; it was talked out, of course, under the rules of that day. We could not get what we wanted. The point is that the Liberals made a stand on that occasion. Here was the government using section 22 of the Financial Administration Act for a purpose for which it was not intended. They took the same position when they were the government by getting parliament to pass a bill validating the order in council to which objection had been taken, thus confirming that in their view it was invalid unless passed, or approved, by parliament.

Now, Mr. Speaker, these same people are back in power—I realize there are some new faces, but they belong to the same party. And they are now resorting to the very trick which they condemned out of hand when the Conservatives practised it in 1962. This time the Liberals found they wanted to change the customs law. I agree there is a slight difference of direction. The Conservatives wanted to put certain import duties up; the Liberals wanted to bring them down. The Liberals placed the appropriate motions on the order paper of the last parliament preparatory to doing this very thing. They were put on the order paper on June 1, 1967, and on November 6, 1967. But they were never passed, because parliament was dissolved before we got round to them. However, the fact that these resolutions were on the order paper clearly indicates that the government knew that the way to get the customs law changed was to get parliament to change it. But they did not get the law changed. Parliament was dissolved on April 23 and two days later, on April 25, the Liberal government of the present Prime Minister passed order in council PC1968/816 which relies on the same section 22 of the Financial Administration Act which they said in 1962 could not be used for this purpose.

This is somewhat technical, but I think the actual terms of this order in council should be on the record, so I shall read its operative sections:

1. This order may be cited as the Customs Tariff Remission Order, 1968.

2. Remission is hereby granted in respect of all goods imported or taken out of warehouse for consumption on or after April 24, 1968, and all goods previously imported for which no entry for consumption was made before that date, of that part of the customs duty and sales tax payable thereon under the Customs Tariff and the Excise Tax Act equal to the amount by which

(a) the customs duty and sales tax payable thereon exceeds

(b) the amount of the customs duty and sales tax that would have been payable thereon if legislation had been enacted before the date of this Order based upon the resolutions relating to the Customs Tariff tabled in the House of Commons on June 1, 1967, and November 6, 1967.

I have read the entire operative part of the order in council. It says, in the plainest of language, something like this: By order in council we have brought in the law which parliament did not pass because it was dissolved before it could deal with certain resolutions which were on the order paper. Well, if this is not doing precisely the same thing as the Conservative government did in 1962 I do not understand the meaning of words.

The difference is, of course, that in 1962 the Conservatives used this device to raise import duties. There were companies and interests in this country which did not like this, and they were taking the government to court. In the present instance the import duties were reduced, so nobody is taking the government to court. But is this the touchstone of our political morality? Is this the basis upon which to use the power given by order in council—you use it when you can get away with it and you do not use it when you cannot get away with it? I think this is just as clear a violation of the proper use of these powers as that which was condemned so roundly by the Liberals in 1962.

I asked the Minister of Justice a question about this issue some days ago during the orders of the day question period. I asked him whether all aspects of it had been checked, especially bearing in mind the previous decision by the Department of Justice, before approval was given to the order. All I got by way of answer was the one word "yes". I am afraid I do not have a great deal of confidence in these opinions from a Department of Justice which can rule one way in 1962, the opposite way in 1963, then back again in 1968.

I shall not take the time to put the whole text of section 22 of the Financial Administration Act on the record. I read it again today, and it is clear to me that it is not the kind of provision which is to be used in a general way for reducing a tax for doing away with something which parliament has enacted. I believe this misuse of orders in council needs to be examined very carefully, and this is one of the reasons I am supporting the motion which is now before us, in the hope we can be given an opportunity to look into this kind of thing.

As a matter of fact, I suspect there have been a number of occasions upon which this power has been misused. I have another order in my hand—P.C. 1968-832, passed on April 30, 1968. It has to do with investment in the Churchill Falls Labrador Corporation, popularly known as Brinco. This is a long order and I do not intend to read it all. But again it is a question of the government drafting an order in council which relies on section 22 of the Financial Administration Act.

The government decides that it wants to exempt from taxation investment in American dollars in a certain development, namely, Brinco. The law is there. The law says such investment is subject to taxation. But the government simply declares that under section 22 of the Financial Administration Act these taxes are to be remitted—they need not be paid because a decision has been made by order in council.

• (5:00 p.m.)

I know the law is there about many taxes and about a lot of income taxes that people have to pay but if we stand up and ask the government to pass an order in council to reduce income taxes, or allow workers a tax exemption for what they spend on tools and on travelling to and from their places of work we will be told by the government: We cannot do that by order in council; it can be done only by act of parliament. But when the government wants to do something which it is clearly prevented from doing by the wording of our statutes, either the Customs Tariff or the Income Tax Act, it uses section 22 of the Financial Administration Act in this very ingenious way to achieve its will.

As I say, Mr. Speaker, the rafters of this place, if there are rafters in it, really rang back in 1962 when the Conservative government of that day was blasted by the Liberals. We took part in the fight on that occasion. As a matter of fact, I think I was the first one to discover the matter and brought it to light, but it was the Liberals who took on the battle. The place just rang, debate was hot and heavy, over this dastardly act of the Conservatives, using this order in council to legislate by order in council in an area that was clearly restricted to the parliament of Canada. Now a Liberal government is doing the same thing, and they are getting away with it because what they have done is to reduce taxes in the case of import duties through order in council P.C. 1968-816, and in the case regarding Brinco through order in council P.C. 1968-832. As I say, nobody is taking this government to court, but it is still an improper use of the medium of an order in council.

As I say, Mr. Speaker, I cite this because I think that on its merits it needs to be dealt

with, and on its merits the government has to tell us, especially with its record in relation to the 1962 incident, why it has taken this stand. But in addition to the merits of this particular case I cite it as an example in support of our contention that the time has come for a committee to work out ways and means whereby parliament can review the exercise of delegated legislation either by boards or commissions or by the government itself.

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, as an introduction to my remarks on this motion I would like to refer briefly to the Prime Minister's (Mr. Trudeau) speech to this house at the opening of this session. First, I would like to say I agree with much of what he had to say as recorded at page 73 of *Hansard* for September 16. As a Canadian I can say I hope his remarks were sincere, which will prove me wrong in my former interpretation of his political philosophy. I hope his words were not just mere window dressing because I wish to commend him for some of his remarks, but because of his actions since that occasion at the opening of the house I have now developed some reservations.

On that occasion the Prime Minister said, as recorded on page 72 of *Hansard*:

> It is the government's function to propose legislative solutions. It is the opposition's task to question these solutions and attempt to improve them or propose alternatives.

We hope that the government will accept some of the alternatives that we have proposed and that we intend to propose. We are not opposed to change in our parliamentary rules, as some people in this house and in the press seem to think, provided freedom of speech is maintained. The Prime Minister went on to say:

> Neither role can be subordinate to the other. It goes without saying that any proposal for procedural reform must assist both sides of this house to function more efficiently. Anything less would be self-defeating. Anything less would diminish the very institution which we seek to assist. The discussions which have been proceeding on and off for the past fortnight, or even longer, among the representatives of the several parties in the house must not be permitted to continue indefinitely.

Our house leader, the hon. member for Peace River (Mr. Baldwin), has stated that this party is willing to co-operate. He has stated that time and time again both in this house and outside it. But he has also said we will not capitulate. I hope that the government understands our position in this regard.

[Mr. Knowles (Winnipeg North Centre).]

The Prime Minister went on to say:

> Nor should they be permitted to lead, either by agreement or in the absence of it, to procedural changes which will upset the delicate and essential balance between government and opposition so necessary to the proper functioning of parliament.

In regard to the proper functioning of parliament I say that with proper co-operation from both sides parliament will function, but co-operation actually is a two-way street. As I said before, it does not mean that the opposition will capitulate. I hope that the Prime Minister meant what he said. He went on to add:

> Good legislation, effective legislation, requires the expenditure of extensive effort on both sides of this house.

We agree with that. He also said:

> It is our responsibility as members to engage here in discussions which are as knowledgeable as possible.

But, Mr. Speaker, we as members of this house have many other responsibilities. We as private members have responsibilities that are possibly a little different from the responsibilities of members of the government, and I wish to refer to one or two of our responsibilities.

I would like to remind the Prime Minister that it is our responsibility, as members of the opposition, to see that the government does not always impose its will on parliament, and by "parliament" in this context I mean the people of Canada. It is also our responsibility as elected members of this house to see that freedom of speech is maintained. I think this is the foremost responsibility of backbenchers on this side of the house. However, it is also the responsibility of the government to see that freedom of speech is maintained.

It is also our responsibility as elected members to be accountable to the citizens of Canada for any authority that we delegate to other agencies, and that is what this resolution is about. It is also our responsibility to right some of the injustices we have inflicted upon the public by reason of authority delegated by members of parliament. It is also our responsibility to see that our democratic system of government is upheld and maintained, and that is one of the reasons that I am speaking on this resolution today.

If I may refer to a couple more passages in his speech, the Prime Minister went on to say:

> Every opportunity to learn more about proposed legislation, and more about the social or economic or other situations which have given rise to that proposed legislation, must be followed by all of us. It is my feeling that the advantage in this respect has too long rested with the government.

With that I agree. He also said:

> For that reason a most important concept which has been proposed to members, along with other procedural reforms, is the provision of public funds to permit opposition parties to obtain the services of researchers, advisers and experts to assist them. The government cannot function without expert assistance. For the same reason, neither should the opposition be expected to do so.

I understand from our house leader that there has been some talk of this but no action.

Now, Mr. Speaker, if I may I want to refer to two speeches that were made in the other house—

Mr. Speaker: Order, please. I have to interrupt the hon. member to remind him that the house is dealing now with a very specific motion. The speech which the hon. member is now making may have been very relevant to the original resolution which was debated and adopted by this house, but, unless the remarks he has made until now are purely introductory in nature, he cannot go on making a general speech relating to a resolution which has already been adopted by the house. This motion deals with a very limited aspect of procedure in that it provides for "the review by this house of instruments made in virtue of any statute of the parliament of Canada," and this has been the very limited scope of the debate we have had until now by all members of the house who have taken part in the debate.

• (5:10 p.m.)

Mr. McIntosh: As I said, Mr. Speaker, it was my introduction. I am leading up to what the Prime Minister said about the matter of delegated legislation. I must lay the background because how we deal with the resolution will have a bearing on how the government will act upon it. This instrument must have teeth. I do not wish it to be simply an instrument of government. As I said a moment ago, two speeches were made on this subject in the other place by two hon. Senators. Senator O'Leary said:

> The opposition must never accept research facilities as a favour from the government. Those facilities should be given to the opposition by parliament itself—

Mr. Speaker: Order, please. It is entirely out of order to quote from speeches made in the other place about matters which are currently under discussion in this house.

Mr. McIntosh: Then I shall get down to the point in the Prime Minister's speech which deals with the resolution. At page 73 of *Hansard* he said:

> A possible change, for example, but one which must be examined carefully, is the practice of delegating legislative authority, in terms of ministerial orders and orders made in council, and in the sense of decisions of quasi-judicial bodies. Whatever we decide, it should be based on a full knowledge of both the strengths and the weaknesses of our present practices.

I should like to deal mainly with the weaknesses of our present practices in respect of delegated legislative authority. This is very important. In my opinion the discussion on this resolution is long overdue. In my opinion it deals with one of the most important, most neglected and even one of the most dangerous aspects of the present method of governing our country.

We are, at last, opening the door on the question of the use of the delegated powers of parliament. This is a very large and formidable question that has created problems which, if not solved now, could eventually lead to our complete impotence as a governing body. If any member believes I exaggerate, let me simply refer him to the vast body of writing on the subject that already exists. Let the doubters search their own correspondence which they have had with their constituents, read the daily press and recall their own personal dealings with any one of the hundreds of government agencies. I am sure they will then agree that every day in this country there are hundreds of instances, some of insignificance, some of great importance, where the rights of citizens have been encroached upon by the unbridled use of power by public servants.

No one in this house is more eager than I to deal thoroughly and quickly with this resolution. My interest in the question is of long standing. It dates, in fact, from the day more than ten years ago when as a freshman member of parliament I suddenly became shockingly aware of the power of and the abuse of power by our national bureaucracy. This bureaucracy is not composed simply of the host of civil servants who man the ministerial departments of government. It includes the army of those who staff the crown corporations, the boards, the agencies, the commissions and regulatory bodies that have sprung

up like weeds as the business of governing the nation has become increasingly complex and difficult.

Let me hasten to say that the problem of the exercise of power and the misuse of power delegated to an unwieldy and largely autonomous bureaucracy is not peculiar to Canada. It affects all countries with a democratic form of government and, I suspect, even those countries which subscribe to monolithic and authoritarian forms of government. Many of these countries have attacked the problem over a long period with varying success. I know of none who believe they have found a complete answer. But it is my hope that by dealing intelligently with this resolution we will be taking a giant step toward our own satisfactory solution.

I have said that my concern with the question is of long standing. In 1962 I was concerned enough with the many examples of arbitrary and unjust use of power by bureaucrats at all levels to introduce a private member's bill seeking to establish some control over bureaucratic oppression. This bill came forward for debate as Bill C-39 of 1963. It was in the form of an amendment to the Civil Service Act. It would have made it an offence for "any person holding an office, commission or employment, temporary or permanent, in the service of the government of Canada, at the nomination of the crown or at the nomination of any of the officers of the government of Canada" to "deprive or attempt to deprive a person of any right or freedom recognized and declared in the Canadian Bill of Rights." My aim at that time was set out in the explanatory notes to the bill:

> —to ensure the application of the Canadian Bill of Rights to the multitudinous and ever-multiplying federal statutes, rules, orders, regulations, bylaws and proclamations; to the end that the citizen may go in peace about his lawful occasions free of wrongful harassment in legal guise by holders of public office. The bill gives the Canadian citizen a voice to warn and a rod to chasten those of his servants who, in pride of the power he has entrusted to them, corruptly pervert his laws to his own hurt; to crown servants it gives the Canadian Bill of Rights as the golden rule by which to measure the rights and freedoms of the citizen—

Perhaps that was not the right method by which to achieve my aim. Perhaps the time was not ripe. The fact is, however, that the problem was pressing then and is even more so today, six years of legislation later. My aim remains the same. However, this time there appears to be more chance of achievement. As everyone knows, a private member's bill has scant chance of becoming law. Its fate is usually to be talked out as was mine. The measure before us today is a government resolution backed not only by the stature of the President of the Privy Council (Mr. Drury) but the prestige of the Prime Minister whose remarks on the subject both inside and outside this house have left little doubt that he is in agreement with taking some steps to curb official licence. It has the further advantage, I am led to understand, of approval in general terms by all parties in the house.

It is true that the resolution as it stands is nothing more than an expression to set up a special committee to consider the problem of what might be contrived to enable this house to effectively police the powers parliament has already delegated or may in future delegate to various branches of the public service under statute. But I believe it is to be an historic start. It is my hope that the discussion of the need to adopt the resolution will go a long way toward helping the deliberations of any committee that may subsequently be set up and toward enabling this house to meet adequately the vital question of controlling the arbitrary exercise of power by the bureaucracy. I can think of no more urgent problem facing the twenty eighth parliament. We all are familiar with the chorus of criticism in recent years of parliament and parliamentarians. I think much of the criticism is exaggerated and misplaced. But we cannot very well blame our critics for confusing government, as seen through the activities of parliament, with government as experienced by the average citizen when faced with parliament's administrative apparatus, the bureaucracy.

Most critics, when their charges are examined, are found to have had a brush with the uncontrolled and unsupervised use of delegated authority and not with parliament. They have been understandably unable to distinguish in such cases between those in parliament who create the instrument of power and those outside parliament who anonymously wield that power. In my opinion this has been largely our own fault and the fault of our colleagues in previous parliaments. There has been a failure on the part of members to attach conditions and safeguards to the transfer of responsibility and power. Too often they have lightly passed on the responsibilities placed upon their shoulders by the fact of their election to parliament to appointed officials who are not subject to the harsh accounting of public opinion. Too often we

have given power without ensuring that those to whom power is delegated will exercise it unselfishly and with impartial justice.

• (5:20 p.m.)

If there is a bureaucratic tyranny, if there is bureaucratic oppression, if there is periodic abuse of trust granted in good faith, and I for one believe there is, then it is we in parliament who are to blame. By adopting this resolution and endorsing the course of action it envisages I believe we can go a long way toward making restitution.

We can no longer slough off our responsibilities on others or give unrestricted grants of vast power with the attitude of "let George do it". If there is one thing we are charged with as members of parliament it is to ensure equal justice to all Canadians and to protect the rights and liberties of the individual and the rights and liberties of minorities.

There is no more deadly enemy of the democratic form of government, no more secret and sinister threat to our free way of life, than the arbitrary exercise of power beyond the forms and processes of ordinary law by hordes of anonymous officials.

By electing us to parliament, the people of Canada have placed in our hands tremendous power. If we transfer this power to others and fail to ensure that it is not used to victimize those who gave us this trust, then we are derelict in our duty and we will have opened wide the door to dictatorship by bureaucracy and we will have betrayed our cherished heritage of individual liberty and democratic government.

We are being asked to set up a committee that will study the problem of enabling the house to review instruments made in virtue of any statute of the parliament of Canada, that is to say, a committee that will recommend the establishment of some agency or procedure and some means of allowing parliament to make accountable to parliament those who exercise power in its name. I think this is a timely resolution and very appropriate.

If such a committee is set up I believe it is important that there be a clear understanding beforehand of what is expected of it. It is important that its members know exactly what this house wishes it to do, what general line it is expected to pursue and something of the dimensions and importance of the problems that it will be asked to consider.

First, let it be clearly understood that there is nothing essentially wrong about the delegation of authority. I believe this to be an essential operation of modern government. Without delegation of power and authority government today, complex and fantastically detailed and growing more so every day, would scarcely be possible. Without such a device we would face a complete breakdown of government administration, chaos and anarchy.

It is not the delegation of power and authority which is dangerous, it is rather the imperfect manner in which, up to now, it has been done. We have been careless and irresponsible in the use of what should be an essential and effective tool of government. Professor Harold J. Laski was not among the many constitutional authorities in Great Britain who decried delegated authority and the increase in so-called administrative law. He did not agree that it was a dangerous trend which should be stamped out. In his "Parliamentary Government in England" he described the delegated power as:

> —an elementary procedural convenience essential to the positive state.

Having said that he warned:

> The vital thing is that parliament should be in a position to make objection to any use of it when it deems fit, and that it should be so able to examine what is done in its name as to make it certain that nothing to which objection can be taken escapes from its purview.

In other words, he says to use the device but to take sensible precautions. This sums up, I think, in my view what the resolution now before us seeks to do.

The question that will most closely concern any committee that may be set up as a consequence of our adopting this resolution will be the means whereby parliament will always be in a position to keep delegated power and authority within its purview. I feel sure there will be many who will immediately think of the old idea of an ombudsman. It is a theory that I favoured for a long time. But surely setting up an ombudsman would merely be establishing another government official. When we consider the scant regard paid by the executive to our present economic watchdog, the Auditor General, we realize how ineffective this would be. Besides, appointing another official outside parliament to do a job that is clearly that of members of parliament would be begging the suggestion that this was just another abdication of responsibility. We must not abdicate our responsibilities as members of parliament as has been done in the past.

In the experience of some countries, most notably and most recently the United Kingdom, the office of ombudsman appears to

have degenerated into a general complaint bureau or, alternatively, into a futile bit of window dressing for the democratic process. What we need, I believe, is a parliamentary body that will be armed with power to call witnesses and for the production of papers without regard to governmental rank or influence, and that will be empowered to pursue its own course free of direction or influence by the government. It must be strong enough and free enough to ride close herd on all recipients of parliament's delegated authority and to command their compliance and respect.

The pattern of the public accounts committee of this house with its chairman drawn from the opposition ranks might be a very good one to follow. To me the essential features must be that its findings, reports and recommendations must carry with them some compulsion on the executive or individually responsible members of the executive, the Prime Minister and cabinet ministers, to take subsequent action. The very least that must be done is to ensure that anything turned up by the watchdog group gets a fair and public hearing in this group.

I believe the relationship of the cabinet to any such body will dictate its success and also its failure. Let us never forget, when we consider the untrammeled exercise of power by the bureaucracy, that the executive, in light of recent parliamentary history, must be placed at the head of any list of those to be scrutinized. It would be my hope that any method that may be developed for overseeing the indiscriminate use of power would consider as a priority item the use of that executive device we know, as referred to by the hon. member for Winnipeg North Centre (Mr. Knowles), as the order in council.

I would like to recall to members the words of a committee of the Canadian Bar Association as quoted in the Montreal *Gazette* on November 11:

> Under democratic institutions the people expect to be governed, but on condition that the laws should be discussed in the open, traversed by the criticism of the opposition and be the result of free and enlightened decision by parliament.

There is no governmental device more murky and less open than the order in council.

Having suggested some of the forms which the proposed body might take and some of the lines along which I believe it should operate, I should like to warn against some of the things it should not be and some of the things it should not be allowed to do. There is always a grave danger that what appears on the surface so fair and so promising can be perverted into something menacing and tyrannous. Such measures as are encompassed within the resolution before us can be looked at in two ways, viewed from the front or the rear according to the person who is looking with a purpose.

What I am seeking to warn against is this house establishing one type of thing and finding later on it is being used quite differently. A parliamentary body, ostensibly intended to police misuse of delegated power, could equally well be utilized by a skilful and cynical executive to cover up wrongdoing. An unscrupulous and dictatorial executive could turn it into an instrument for preventing exposure of anything embarrassing to it, for burying aggravating disclosures, delaying remedial action and for scattering dust in the public eye. Anyone who has any experience with parliamentary committees will realize just what I mean. In fact, mention was made of this the other night by the hon. member for Calgary North (Mr. Woolliams) when he referred to the use of the committees system. The use of a government majority and a government chairman to stifle discussion and frustrate action is not unknown. The embalming of a committee's findings by the simple expedient of tabling is not unknown. I realize that in many statements inside and outside the house the Prime Minister has endorsed the theory of parliament controlling the growing power of bureaucracy. I was reassured to find traces of this sentiment in the speech from the throne and more specific endorsation, as I said when I started my speech, when he spoke on leaders' day in the house.

• (5:30 p.m.)

I also noticed in the speech from the throne mention of a plan to centralize all government information services in order to better inform Canadians about their government and bring individual Canadians closer to their government. This is a very estimable aim, a laudable endeavour if indeed those things are the end result. But just suppose that for one of many possible reasons the Prime Minister is not able personally to direct such bold new enterprises as the centralized information service and the enterprise envisaged in this resolution; suppose the initiative in these matters falls to others, particularly into the sphere of the advice and influence of senior civil servants. Both projects could change in the twinkling of an eye from

necessary and effective projects to dangerous props of arbitrary government.

I hope members opposite will forgive me for mentioning such an unlikely possibility as a Liberal government seeking to perpetuate itself in office, but I do so only to illustrate the care that must be taken in establishing any agency of parliament to carry out such a delicate and provocative task as policing delegated powers.

I have not attempted at this time, Mr. Speaker, to deal at any great length with the background and development of the problem of delegated authority, delegated powers, administrative law and related topics. There is already a vast amount of literature on the subject. I am taking it for granted that everyone here is at least aware that the problem exists and is urgent. It is a reality of our times in regard to government, but it is by no means new. The first world war, with its tremendous burdens upon government, its compounding of government responsibilities, accentuated something that had already existed for a long time. In 1929 the government of Great Britain studied it and took measures to control it. These measures are still operating today, however narrowly and faultily their critics may think.

In the same year the Lord Chief Justice of England, the right hon. Lord Hewart of Bury, described it as "the new despotism" in a book that has become a classic text on the subject. As early as that day he wrote:

> A little inquiry will serve to show that there is now, and for some years past has been, a persistent influence at work which, whatever the motives or intentions that support it may be thought to be, undoubtedly has the effect of placing a large and increasing field of departmental authority and activity beyond the reach of the ordinary law.

He was concerned about parliament relinquishing its powers in the interest of expediency or apathy, to the detriment of our rights and liberties. On this he wrote:

> Much toil, and not a little blood, have been spent in bringing slowly into being a policy wherein the people make the laws, and independent judges administer them. If that edifice is to be overthrown, let the overthrow be accomplished openly.
>
> Never let it be said that liberty and justice having with difficulty been won, were suffered to be abstracted or impaired in a fit of absence of mind.

As members, we have all had experience at one time or another of misuse by public servants of power delegated to them by us and exercised by them against their fellow citizens. I do not say that this is always deliberate, always calculated, always vicious. Sometimes it is mere bumbling, but bumbling the consequences of which can too often be escaped because there is no accounting. We should remember that delegated authority is wielded in the vast majority of cases by nameless, faceless bureaucrats who feel completely secure from retribution, hidden as they are in the maze of the public service jungle. Most abuses take place out of the public eye. I feel that publicity therefore is one of the chief weapons against abuse of power. I doubt if any department, including the Privy Council, any board, commission or other agency of government fails to contribute its daily mite to the staggering annual total of injustices done by government to its citizens.

It would serve little purpose at this point, Mr. Speaker, to cite individual cases. I am sure all of us could provide enough of these to take many sitting days and swamp *Hansard*. My files, in any case, are full of instances of bureaucratic injustice, and at a later time I will speak of some of them.

To my mind the worst aspect of the whole problem of the abuse of delegated power lies not with the actions of ordinary, middle-run civil servants but with the top brass of the public service and the opportunity it gives them to become a real threat to our chosen system of parliamentary democracy. I believe it is with them and their exercise of powers, especially in view of their position of tremendous influence and persuasion on ministers, that any parliamentary supervisory effort should be chiefly concerned.

I have said on other occasions in this house, and I should like to repeat it, that it matters not what party is in power and forms the government, it is really the power elite of the public service that runs the country. The government of the day is a captive of the top civil service brass; ministers are only hostages, completely dominated and directed by their top departmental officials.

This dominance is exerted by virtue, partly, of experience but principally through the power delegated to the appointed officials by statute. It is vital to oversee the use of this power if we are to maintain even the figment of elected government governing. As for the ordinary member of parliament, if the senior civil servant does not disregard us as being such small change as to be beneath his notice, he treats us like children who must be disciplined and never indulged. If any of you who

have been to departments have not yet found this out, you will do so in the next few weeks or months. I am talking from experience.

On this point I would like to quote what James Harvey and Katherine Hood have to say in their book, "The British State":

—delegated authority amounts to virtually uncontrolled making of laws by government departments, and demonstrates the immense powers wielded by the senior permanent officials of the civil service.

They say further:

The cabinet would never be able to sustain the "dictatorship" which it nowadays exercises over the House of Commons without the indispensable assistance of the permanent civil service.

Later they say:

—a highly effective conspiracy of silence surrounds the activity of the civil service.

Mr. Baldwin: And the cabinet.

Mr. McIntosh: As my colleague the hon. member for Peace River (Mr. Baldwin) has just said, and the cabinet. Judging from the remarks of the Prime Minister in the past two or three weeks, there may in future be even more than we have been used to. I believe it is high time this silence was broken, that light was allowed into the dark places of the civil service power structure, and senior departmental officials were compelled to answer publicly and openly for the discharge of the trust handed them by parliament. If we set up a committee as suggested in this resolution, if that committee functions the way we want and expect it to function, it will give us this open criticism. We as members of parliament will be responsible for the power we have delegated. I think that is our main responsibility. I think this is one of the first responsibilities we should consider in this twenty eighth parliament, that we are responsible for delegated authority.

• (5:40 p.m.)

Writing of the implications of administrative justice, that handmaiden of delegated authority, N. C. Hinton in his "Government and the Citizen" noted:

The implications of this type of justice hardly need underlining. The citizen loses the benefit of the traditional impartiality of the courts. His rights may be adversely affected if they run contrary to government policy. Administrative decisions may fly in the face of true justice and logic.

I believe it is our duty in considering the purpose of this resolution to ensure that our citizens are provided with some means whereby parliament can protect them from administrative abuse and injustice. I repeat that anything we do along this line must be effective and meaningful to ordinary Canadians, in other words, to our constituents. It cannot be mere camouflage, and I hope that the Prime Minister was not giving us just window dressing. I hope he was sincere in what he said. If we fail in this, we will have done a grave disservice to our people and our country.

I have never advocated that the practice of delegating authority be discontinued or even curtailed. All that is needed is supervision of its use. It can be an exceedingly valuable tool of government if properly handled. This is an opportunity to make it really effective. Let us cease the old practice of giving some anonymous group of appointed officials a blank cheque except for our signature with every piece of legislation we approve, which in fact is what we have been doing.

As some new members in the house may find out, the regulations are actually more powerful than some of the acts of parliament. I have found that out in individual cases. In other words, under our present system we have delegated our authority to these civil servants, and we have done so indiscriminately and with no responsibility. We cannot afford any longer to hand out so casually our power of attorney as members of parliament. Power to govern is our responsibility. Let us assume it fully by making sure that what is done in our name is done fairly, openly and with justice for all.

My early experience with the monster of bureaucracy wielding unregulated power has compelled me to fight it over the years. I am happy to take part in another such battle, as you well know, Mr. Speaker. Let me conclude by cautioning that in my view there is no surer way of poisoning parliamentary democracy than by abdicating our power without supervision of its use.

[*Translation*]

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Justice): Mr. Speaker, in his speech, the hon. member for Winnipeg North Centre (Mr. Knowles) bemoaned the fact that the Minister of Justice (Mr. Turner) had replied too briefly to his question of September 17 in which he outlined a similarity of methods and tactics between the Conservative government of 1962 and the Liberal government of 1967.

The hon. member recalled that, in 1962, the Conservative government had levied a new

tax through an order in council, whereas in 1967 a Liberal government had reimbursed taxes also through an order in council.

Now, a mere look at the circumstances will show that the similarity of the two methods mentioned by the hon. member is more artificial than real.

In fact, in 1962, when parliament had not yet been convened, the then Conservative government had enacted a new tax by order in council under section 22 of the Financial Administration Act and section 4 of the Customs Tariff.

Now, in 1967, when a new method of tax collection had to be adopted, a budget and budget resolutions were put before the house. It is well known that when a budget resolution is tabled in the house, it is effective immediately. What happened is this: the Department of National Revenue started collecting that tax according to the Financial Administration Act in general and not under a section of the act, all that in accordance with the authority conferred by the said act.

That is, I think, the great difference between the two methods used and, besides, I am happy to think that the consideration of this resolution might bring a solution to those who complain about government interventions simply by orders in council.

[*English*]

Mr. Knowles (Winnipeg North Centre): May I ask the hon. gentleman a question? Is it not a fact that the Department of National Revenue also collected a certain other tax that was on the order paper but had to refund that tax when parliament did not pass it? Therefore, is the government not doing precisely the same thing in this case, namely, legislating by order in council something that parliament has not passed?

[*Translation*]

Mr. Cantin: Mr. Speaker, I think that this is the whole difference. As soon as a budget resolution is introduced in the house, the Department of National Revenue is compelled to start its collection as prescribed by the new resolution, and that is what it did.

Of course, the dissolution of the houses—

[*English*]

Mr. Knowles (Winnipeg North Centre): But is that not subject to passage by parliament?

Mr. Speaker: Order, please. I think perhaps the debate might be continued in committee.

Mr. Knowles (Winnipeg North Centre): Except for the fact, Mr. Speaker, that we do not go into committee on this resolution.

Mr. Speaker: Order, please. I am referring, of course, to the special committee which will be set up as a result of this resolution.

Is the house ready for the question?

Some hon. Members: Question.

Motion agreed to.

Mr. Macdonald (Rosedale): Mr. Speaker, as indicated item No. 6 on the order paper has been called. At the same time I wonder whether, for the purpose of the debate on this motion, there might be an agreement among hon. members that the debate might also range over the subject matters of items Nos. 5 and 7 on the order paper so that the subject of farm financing generally could be dealt with in the course of the debate. In this way perhaps it may be possible to have a broader debate.

Mr. Baldwin: We would be quite agreeable to this suggestion, Mr. Speaker, and we will not exercise our right to prevent the government from straying from the path. But I would like to go a step further and ask the government house leader and other house leaders to consider the possibility, when we have exhausted the day which is normally allotted to this subject, of pursuing the matter along the same lines so that there would in fact be one continuous debate. I am offering this suggestion so that the government house leader may review it before the day is over.

• (5:50 p.m.)

Mr. Speaker: Perhaps before the house expresses its opinion on the proposal made by the President of the Privy Council I might mention that there might be some slight difficulty in the fact that we are now starting a five hour period allotted to this resolution. A five hour period is allotted on each of these resolutions. I am wondering whether the house wants to agree on a five hour period for each resolution, that is, a total of 15 hours, and so commence a 15-hour period on these resolutions. Since we are just starting the five hour period on one resolution, perhaps there should be some agreement because there are procedural difficulties once we have started.

Mr. Knowles (Winnipeg North Centre): I suggest that we agree to the proposal that in

any discussion of order No. 6 there be sufficient latitude to deal with orders Nos. 5 and 7, and let nature take its course so far as time is concerned.

Mr. Speaker: Is it agreed that we will report the three resolutions out of the committee of the whole after the debate has been completed in committee of the whole?

Mr. Macdonald (Rosedale): No, Mr. Speaker, but I believe the provisions of standing order 34 would prevent hon. members from referring to Nos. 5 and 7, so this provision should not be applied during the debate on item No. 6. Members could refer to the subject matter of those two resolutions.

Some hon. Members: Agreed.

FARM CREDIT ACT

AMENDMENT RESPECTING ELIGIBLE CLASSES, AMOUNT OF CAPITAL, INTEREST RATES, ETC.

Hon. H. A. Olson (Minister of Agriculture) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Farm Credit Act to broaden the classes of persons eligible for loans under the act; to increase the amount of the capital of the Farm Credit Corporation; to substitute for the present rates of interest on loans made under the act (except any such loans made pursuant to applications received by the corporation before September 13, 1968) such rate or rates of interest on any loans made after the coming into force of the said measure as may be prescribed by the governor in council; to provide further for certain changes in connection with the administration of the act and for other matters related or incidental thereto.

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

Mr. Olson: I notice it is now six minutes to six. I wonder whether we could call it six o'clock so that I could make my statement on the three resolutions at eight o'clock?

Some hon. Members: Agreed.

Progress reported.

[*Translation*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment this evening are the following: the hon. member for Vancouver-Kingsway—Harbours—Roberts Bank (B.C.)—constitutional jurisdiction respecting railway line; the hon. member for Yorkton-Melville—Transport—potash—request for inquiry into freight rate; the hon. member for Hillsborough—the Biafra question on the United Nations agenda.

[*English*]

It being 6 o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions.

STUDENT LOANS

SUGGESTED INTEREST FREE LOANS TO UNIVERSITY STUDENTS

Mr. Paul Yewchuk (Athabasca) moved:

That, in the opinion of this house, the government should consider the advisability of introducing a measure which would allow loans to university students to be made interest free.

He said: Mr. Speaker, on August 21 the Minister of Finance (Mr. Benson) announced that during the 1967-68 lending year, loans were made to 90,371 students. The total amount was $57,053,410. The government has estimated there will be a total of some 100,000 loans to students in the 1968-69 year, in a total amount of some $60 million. Since the act came into effect in 1964, 132,000 students have received loans totalling $160,900,000.

In his August 21 announcement the minister also gave the revised criteria for loan applications with regard to students independent of parental financial supervision. Formerly, such students were required to have completed three years post-secondary studies or be employed one year or be married. The new criteria demand four years of post-secondary studies, one year's employment and an age level of 21 years or marriage. The new criteria have been protested by the students union at the University of Saskatchewan. Student loans are interest free until six months after graduation at which time students start paying back and at which time interest at the rate of 5¾ per cent is applied. Up to then, interest is paid by the government to the banks since student loans are government guaranteed bank loans.

Under the new formula proposed this summer, interest rates applied to loans taken out in the 1968-69 academic year will go from an estimated 7¾ per cent to 8 per cent, adding from $1.5 million to $2 million to student repayments. The argument is advanced that

the government should pay the total interest and make the loans interest free to students who in the year after graduation are faced with pyramiding costs of getting established in a profession and paying off multitudinous debts of which student loans are only a part.

Speaking in parliament on June 21, 1966, the present Minister of Justice (Mr. Turner) suggested a number of improvements to the student loan program, including reciprocity between the Quebec and national plans as well as a remission of debt for students achieving a certain level of scholastic excellence. At that time the minister stated he looked to the day when tuition fees would be eliminated. One would hope the government at this time would take to heart the recommendations he made then from the freewheeling position of a minister without portfolio, prior to assuming the cares of office associated with the senior cabinet position he now holds.

Certainly, if the government cannot see its way clear to accept the advice of the present Minister of Justice and remove tuition fees completely through remission of loan payments to outstanding students, at least it could move at this point to remit interest rates after as well as before graduation, since the amount involved is minuscule in the light of the government's total requirements but nevertheless could be very significant to the individual student.

The point raised by the present Minister of Justice in 1966, relating to the dovetailing of the Quebec and Ottawa plans, was certainly well taken and was evidence of his appreciation of the divisive nature of the two student loan plans, one for Quebec and one for Ottawa. Regrettably, no advances have as yet been made permitting total reciprocity between the two plans. It is to be hoped that in his present responsible position he will again speak out in the cabinet council in favour of a national Canadian plan, thus permitting students from every province to study in any other province rather than the present divisive and restrictve program introduced by the Pearson government.

The total of student loans in Alberta in 1967-68 came to $6.4 million for some 10,500 students; in Saskatchewan, $5.9 million for some 7,300 students Manitoba, $3.2 million for some 4,600 students. Thus, on the prairie provinces the student loan program is of vital importance. There is no question in so far as students across Canada are concerned that the loans should be interest free, and rather than increasing the interest rate in the current academic year the government should undertake to remove completely from the shoulders of students the accumulative burden of high interest payments. Generally speaking, it is students from low income families who most require loans. It goes without saying that such students should be encouraged in every way to attain the maximum development of their potential.

• (6:00 p.m.)

From the economic viewpoint expenditures on education cannot be considered expenses; rather, they are investments. The more highly educated a student becomes the greater become his earning potential and productivity. He therefore pays increased income tax and in the long run the state benefits.

A few days ago I talked with some students from a nearby university and it soon became apparent that students of slender financial means felt society had discriminated against them. Through no fault of their own they had to live in squalid conditions in inferior quality housing and be faced with the prospect of a large debt on graduation. Now that debt carries considerable interest. Their feelings of being treated unfairly become stronger when they saw fellow students from well to do families living a life of relative financial ease, through no increased effort on their own part and not being faced with a large debt to pay after graduation.

By and large, Canadian students are a responsible and dedicated group of Canadians. In no country in the world does education play so important a role in the development of a nation as in Canada. This is an added reason for the necessity of accepting a greater degree of governmental involvement in education. Above all, it is necessary to foster closer relationship between secondary educational institutions in Quebec and those in the rest of Canada.

For too long we have had education going one way in one province and another way in another province. Surely, Mr. Speaker, since we all have the same staggering responsibilities in every province for the development and consolidation of this nation from coast to coast, we ought to move heaven and earth to improve and co-ordinate relations between students and educators, and between those in the general education movement in Quebec and educators in the other provinces.

Nothing could be or is more dangerous to the future freedom, independence and prosperity of this nation than the separation and compartmentalization of its secondary educational systems. Make no mistake, Mr. Speaker, Canada's future as a free and independent nation today is trembling in the balance. We all know how difficult it will be for Canada to survive in freedom against the tremendous social, economic and political pulls of the United States and Europe. It will be difficult for this country to remain united under the present circumstances. How much more difficult would our survival be if our country became a conglomeration of petty principalities.

We all know how much freedom and liberal thought exists in those areas of the world where nations are divided and national boundaries have stimulated generations of hatred. That sort of thing must not be our fate. That must not be the fate of our continental destiny.

Our education must be more in tune with the needs of the nation. It must be at a modern pace and use the tools of the electronic age rather than at the leisurely pace of 50 years ago. We must have education in depth. Education must be available to all who can utilize it, be they French, English or members of those other races and cultures whose presence has added a new dimension to the power of Canada. In this connection I cannot do better than refer to remarks made recently by a former member of the government, hon. Robert Winters, president of Brazilian Light and Power. Speaking in Windsor, Ontario, on September 21, Mr. Winters said:

> To bring such facilities and faculties to all who have the wish and the ability to use them is a financial undertaking of the first magnitude. It requires the resources of all levels of government and the private sector.

He also said:

> The level of education and the standard of national economic well-being are interrelated. In our case, it is the major reason for the shortfall in our economic performance compared with our better educated neighbours to the south.

Of course, Mr. Speaker, education cannot be geared exclusively to economic performance. It must be related to advancement in the entire field of human knowledge—science, economics, literature, the arts and so on.

Unquestionably, since Canada's population as it relates to national development is smaller than a similar sort of population in most other countries, we must derive the utmost benefit from our educational system so that each Canadian may make a maximum contribution to the national advancement. There was a time when education was largely a matter of self-improvement. Today education affects the progress of our country, the mutual understanding among its citizens, the unity and development of the nation and the scientific, social and political evolution of our times. For this reason the federal government must share a greater part of the burden, not only with the provinces but also with the students.

It has been said that it is easy to suggest programs that entail the spending of government money; but it is another thing to determine from where money to pay for such programs is to come. I know that those who will speak against this idea will say to hon. members in the opposition, "I thought you wanted the government to save money and here you are, asking for more money to be spent. You cannot have it both ways." The field of education, I submit, ought to have priority over a great many other fields. At this time it might be well for the government to reassess some of its programs and determine whether all or part of the money being spent in those programs is being spent to the best advantage. One program which comes to mind is an across the board handout to our entire family population, namely, the family allowance program.

I ask the government to consider one question at this time when it is short of money and is considering its priorities. Do families with a taxable income of $10,000 or more annually really need a family allowance? Do such families need this little handout which was inaugurated many years ago when economic conditions were so vastly different? That program could be reassessed, keeping in mind national priorities and spending money in areas of greatest need. Personally, if other sources of funds can not be found, I think education is important enough to warrant a little increase in taxation.

Recent changes in federal participation have resulted in federal contributions to capital and operating costs of universities being increased to approximately 50 per cent. At the same time very little has been done to ease the burden on students. It is illusory for those in the government to think that saddling a student with a large financial obligation which must be repaid shortly after

graduation is in any way a gift to the student. It is not. The debt makes it possible for the student to graduate. Then, when all his resources are needed to enable him to become established, he is faced with a large debt which he must repay.

If Canada is to keep pace with the advances made in the United States and elsewhere in the world in medicine, space, science, aeronautics and so on, and not be hopelessly left behind in the expansion of knowledge, nothing is more urgent at this time than assistance to our students. As a small beginning, I urge a total remission of student loan interest charges.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, may I congratulate the mover of the motion. I agree with many of his points but I must say at the beginning of my remarks that though I support his motion my heart really is not in it. I feel that we must view education from the standpoint of Canada's place internationally and from the standpoint of its effects on our own population.

A couple of weeks ago the government was severely criticized for scrapping its winter works program. The government said that the winter works program was done away with because it was inadequate. Personally, I consider the student loan program totally inadequate. When the government thought its winter works program was wanting, so to speak, that program was scrapped forthwith. I know that we heard many vague mutterings on the subject of winter works. Nevertheless, a number of programs were suggested to take its place.

Today we are considering a reduction of loans and not the complete elimination of any particular grants. Perhaps we might consider this matter along the lines we considered the winter works program, if that is not taking our line of reasoning too far out of the way.

I do not think, as I said, that the Canada student loan program goes far enough. The house may recall that the inception of the program lay in some campaign promises in the 1963 federal election. We heard a good deal from the Liberals about 10,000 student scholarships. When the promise was transformed into legislation in 1964, as if by magic it became the Canada student loan plan.

• (6:10 p.m.)

This plan has indeed helped to put thousands of students through university. It has also placed thousands of students in debt six months after their graduation. What we need today in this country is a greatly expanded accessibility of education for students. Too few students go on to receive higher education; 16.9 per cent is the most recent figure I have heard, compared with well over 40 per cent in the United States. I think we have to consider education as being a right, not a privilege. Education should be considered as a means of enriching the human resources of our country, not only for the production of saleable skills but in the cultural aspects. The good life has to mean more than the ever-increasing consumption of goods. Accessibility means that regardless of income worthy students need travel allowances, better housing, far more in the way of educational and classroom facilities, much more by way of health facilities, books, supplies of various kinds. Our country is wealthy enough to provide a great deal more aid to students in all these directions—selfishly, if you like, because we depend on these students to provide the leadership in our society in the future.

There is a sociological side to accessibility. Even if we were to make university education completely free tomorrow it would take some sections of our society years to catch up with what this really means in terms of human betterment. I am thinking of the chronically unemployed, the chronically underprivileged, those who have checked out of our society and who do not understand that the way to a better life is through better education. So we must do more than provide free university education. We must set up a whole program along the lines of Headstart, a program which must be comprehensive and embrace our whole system of education. Only by such action can we put Canadians on an equal footing with students in some of the eastern countries and even in some countries of the west.

For too long we have depended upon the importation of skills. It seems to me there is something a little immoral about sending Canadian agents abroad to steal, if you like, the talent they find there, to drain the brains of other nations and make good the deficiencies that we have failed to overcome in our own. I am thinking of teachers, doctors, nurses; they are most welcome and we cannot do without them. But generally speaking they come from countries with a lower standard of living than our own which need the services of these people even more than we do. Their presence here indicates that we have failed to

do our job in the past and that we must consider giving greater support to our educational system at the secondary level.

The only way in which we can upgrade technical skills is by means of a massive injection of funds. Social capital is what our country really need. So I support the resolution for interest-free loans, but only as a half way house. I believe higher education should be brought within the reach of all who can profit by it. This is not the case today. Too many of the wrong people are going on to higher education. We have a long way to go before we can avoid wasting the abundant potential skill of our people because we are failing to provide the kind of training from which so many of them could profit.

Too many are deprived of these opportunities because they cannot afford them. It is not because they are lazy and do not want them or do not need them. I should like to quote from an article in today's Montreal *Star* in which student borrowing is discussed. I shall begin half way down the first column on page 4;

> Last year, over 90,000 students across Canada borrowed $57,000,000 under the plan for higher education.
>
> But the plan has also had a checkered career. It clearly has not brought as many students from the lower income groups into university as had been hoped; the university population continues to be overwhelmingly from families in the upper levels of the economic scale.
>
> Nor has it done much to even out economic disparities across the country. Experience suggests that the best program of student assistance is a combination of loans and provincial grant programs of significant magnitude.
>
> Above all, it has failed to satisfy the students from what may be called the psychological point of view. To get a Canadian student loan, eligibility must be established; the application form is essentially a means test and, in the case of dependent students, it is a means test of their families' ability to send them to college.

We have all heard the argument on the means test. I do not want to go into it again now. I think the position of this party with regard to a means test, a needs test, or anything of that nature is perfectly clear, and to say anything more about it at this point would be redundant. Fifty seven million dollars sound like a lot of money. But remember, these are loans, not grants. We spend $140 million on NORAD each year without batting an eyelid, without even bringing the question up in parliament; we deal with it by order in council.

The house will recall that loans are made to certain students with government backing;

[Mr. Rose.]

the government guarantees the lending institutions repayment plus interest at the rate of 5¾ per cent six months after graduation. This was the situation until August 16 of the present year. The date fixed for repayment is one upon which most borrowers would find it extremely difficult to raise the money required. Six months after my own graduation, for example, I was attempting to start a career and establish a home. Had I been faced with repayment of a major loan I would have been in extreme difficulty. We are putting thousands of students in hock and I do not think this will help our country in the long run.

The interest rate was, as I say, 5¾ per cent until August 16. A lot of students took advantage of these loans because they were all they could get. But only recently we found that the private lenders were no longer content with an interest rate of 5¾ per cent; they could get far more on high rise buildings, and, loyal corporate citizens that they are, they began to turn off the financial tap. The government came to the rescue by an arrangement which involves increasing the rate of interest by 2 per cent; from now on the figure is tied to the rate on government bonds plus an additional 1 per cent for administration. I note that a flexible rate of interest is also contemplated in the proposed legislation affecting farm improvement loans; the rate is to be flexible and capable of adjustment by order in council. Is this to be the pattern of government legislation in the future? If such is the case we are disturbed, because such a practice would be contrary to the interests of the very people we are trying to help.

In August, 1968, the loan rate was pegged at 7¾ per cent—the bond yield plus 1 per cent, plus a further 1 per cent for administration. I suggest the government should find other ways of subsidizing student loans. It is well known that throughout their lives these students will be bearing a larger share of the country's burdens through the higher income taxes they will be called upon to pay as a result of their greater earning capacity. The Minister of Veterans Affairs (Mr. Dubé) made a speech at Woodstock on September 1 in which he made reference to this aspect, and I should like to quote somethnig from what he said:

• (6:20 p.m.)

> About 54,000 veterans resumed their education at the university level, and it was estimated several years ago that, at that time, they had already paid enough in additional income tax to equal the cost of their education.

Another 80,000 took technical or vocational training of one sort or another, thereby improving their employment potential and enhancing their contribution to the Canadian economy.

If the Canadian economy and the Canadian government's position are going to be enhanced by students going to university, then the government should do everything possible to assist them to do just that. It should not institute measures that are regressive. In my view the raising of the interest rate on student loans by 2 per cent is a regressive measure.

In this house we hear daily that we are in the midst of an inflationary spiral, and we also know that throughout the past summer many students had extreme difficulty in finding summer employment. If students are unable to earn money during the summer it follows that they will be more interested in borrowing money for their education. They should be assisted as much as possible when they go to borrow money from government sources, if it is the government's intention that they should do so, and I am not prepared to say I agree with that intention if it puts students deeper in debt.

The affluent can go to school quite easily. There is no problem there. Our problem in Canada is to broaden the educational base so that more of our young people can go to post-secondary institutions. I myself was most favoured to go with two of my high school classmates to university. My parents had the financial means to send me to university. However, there were a great many others of my age who had the ability to absorb university education but they did not have the means to attend university. I have always felt that others would have benefited equally, or perhaps to a greater degree, from the experience that I received by chance. Our job is to arrange our assistance so that it is no longer due to chance or accident of birth that students can go to university. The opportunity to go to university should be based on a student's ability to learn and not on his ability to pay.

Finally, Mr. Speaker, I wish to comment briefly on the ceiling imposed on student loans. The $1,000 ceiling really goes only two-thirds of the way toward meeting the cost of a student's year at college. I myself have a daughter at school, and most people estimate that a student living away from home is faced with a charge of some $1,500 per year for the various costs associated with going to university.

This session we have heard a lot about manpower training and retraining, about greater facilities, greater emphasis and greater opportunities. Is this just talk? Is this a case of what the Lord giveth He will ultimately take away?

This motion, Mr. Speaker, is a step in the right direction but it is only a timid step. We support it, knowing its imperfections. For years we have pressed and will continue to press for the provision of higher education at public expense in the same way as for over a century we have offered elementary and secondary school training to Canadian students.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to make very brief comments.

In the first place, I wish to congratulate the mover of the motion which we wholeheartedly support, since it will help a class of very needy people.

Mr. Speaker, I will restrict my comments, in order to co-operate with the mover and prevent the motion from being postponed until Doomsday, as it happens most of the time.

Mr. Speaker, a student is a worker in the same capacity as a labourer in an industry and in a manufacture or as a farmer. A student is a worker since he must devote ten, fifteen or twenty years of his life to his studies. His sole difference with a labourer is that he has no income while attending school or university. He is a worker without any income and therefore must be helped. Then the government very imaginatively thought of offering non-existent jobs. I was one of those students a few years ago. I am now twenty-five and, since I finished my studies two years ago, I myself suffered from this practice. My debts at the present time total about $4,000, because I received no help from the government. I could not find a summer job because there were none to be had. As a result, I find myself today in the House of Commons. That is not too bad; however, all students do not become members of the House of Commons.

Mr. Speaker, I think it is extremely important that we help the students. The work they are offered, to supply them with an extremely low minimum income, is obtained either through patronage or petty politicking.

Usually, the jobs are unimportant or the student must go to another province. This entails heavy expenses and he comes back

home with no money in his pockets, to start a year of attendance at university which costs him an average of $7 a day. Who is the eternal victim? The student. In most cases, the student comes from a big family with a very low income. He has no money. The family allowance of $6, granted to the head of the family, is not a present after all. How do you expect a father to help his son, especially in view of the average per capita income, in Quebec and elsewhere?

Mr. Speaker, the problems facing the students could be discussed, but I said I would be brief. It all boils down to making financially possible what is physically desirable and feasible. In other words, financial capital should be put at the service of human capital whose potential is almost boundless. Students could be helped in two ways: first, through interest-free loans, as proposed in the notice of motion; and, second, by paying the students a salary.

But, knowing our present governments and those we have had in the last hundred years, we realize that it is almost impossible to give students a salary. Governments refuse to tackle the real problem.

Then, there are loans. But there again, they belong to the field of the "most desirable". That is why I join the mover of this motion in an attempt to keep it from being put off indefinitely.

Mr. Speaker, to my mind the situation is important and, at this point, I refer to the summary of the fifth annual review of the Economic Council of Canada. On page 7, one can read as follows:

> The ultimate purpose of our economic and social goals is to provide all Canadians with access to higher material standards of living and a higher quality of life.

A higher level of education or economic security will make possible a better quality of life.

Mr. Speaker, when a student leaves what we call CEGEP in Quebec and high schools in other provinces to go on to university, he has to borrow money. He will not be able to borrow more than $1,000. Let us suppose he attends a university for four years to get a bachelor's or a master's degree: When he leaves, he will have a debt of $4,000 maybe $5,000 or $6,000, depending whether he lives far from home and goes home every weekend, whether he buries himself in his studies or joins a round of parties, having in view social as well as intellectual accomplishments.

[Mr. Fortin.]

But once that same student, having secured his degree starts to earn a living, he comes up against all kinds of difficulties when trying to get employment and after spending 20 years studying, he still has to face five, six, seven, eight and even ten years of his life during which he will have to repay this same loan at extravagant rates of interest. It is somewhat similar to the Central Mortgage and Housing Corporation.

And the government is to blame Mr. Chairman, for having increased the rates of interests of its loans from 5¾ to 7¼ per cent. As the member from the New Democratic party pointed out a while ago, it is a regressive measure and I wonder how a government can introduce a similar measure in 1968.

I shall not stress that point further, Mr. Speaker. I should like to take part in this debate to say openly that the Ralliement créditiste takes pleasure in supporting heartily all intelligent legislative measures that will assist the individual, the human being, make him freer in an increasingly automatized world, filthy with wealth and which denies the individual economic means that would permit him to live honourably in his own country. It is therefore with pleasure that I support the member's motion; I hope he will broaden his outlook and that the same loans, without interest, will be made available to all Canadians.

• (6:30 p.m.)

[*English*]

Mr. Judd Buchanan (London West): Mr. Speaker although it may be strange, in some areas I find myself in agreement with the comments made by the members of the opposition. I feel, however, that to some extent we are going after a gnat with a shotgun. I do not believe the significant question is whether the young men or young women who have been through university do or do not pay interest on their student loans. I think we are attacking the problem from the wrong end. It would seem to me that it should be of far greater concern to us whether the young men and women in our society who have the ability also have the opportunity to go to university. Once they have been there and have graduated they are in a much better position to repay these obligations than are the individuals in our society who never have had the opportunity to attend university.

I have some interesting figures published by the Dominion Bureau of Statistics for the

year 1966. If one receives an elementary education during his lifetime he can expect to earn $131,000. One who receives up to three years of secondary school education can expect to earn $168,000. One who receives four or five years of secondary education can expect to earn $209,000. The university graduate on the other hand can expect to earn over his working life an average of $350,000. This is almost three times what the men and women without an elementary education will earn and about 50 per cent or 75 per cent greater than the individual who has had secondary school education. Therefore I do not believe the problem regarding those who have completed university education and who are now out in the the labour market is really as significant a problem as that regarding those young men and women who should be attending our universities and are not.

I believe all education—and here I share the opinion of some members opposite—should be free for all. This basic human right should be available to all to enable them to achieve their fullest development. This is a right which must not be restricted in any way by accident of birth, economics or geography. The right to education at every level should be free and within the reach of all who have the ability. This should be a guaranteed right to everyone without equivocation. There still are many Canadians who could and should be attending university but who are not.

It is interesting to note that a survey by the Canadian Union of Students found that 25 per cent of our university students are from the homes of wage earners who are in the top 6 per cent bracket. I am prepared to grant that much more than purely matters of finance are involved. There is the question of motivation. Reference has been made to the Headstart program and other programs which might be of assistance to students in the younger age group.

I still believe that the lack of financial resources unquestionably prevents many young men and women attending university. I believe also that we should be looking at the matter of some form of subsidy for the young men and women who live beyond the commuting distance of a university. It is much easier for someone who has the good fortune to live in a university town to attend university than it is for someone who lives 250 or 300 miles away. I am not concerned as much with those people who have gone to university and are now working as I am with the others who should be going to university and who for one reason or another have not been given the opportunity to do so.

My friend in the New Democratic party must be using some figures which are different from mine. It is my understanding that approximately 23 per cent of all Canadians in the 18 to 23 age group are attending post secondary education facilities whereas the figure on the other side of the border is double that, 46 per cent. I grant that there may be some variation in this because someone might argue that in some areas our education is superior, while in others perhaps it is not. In our modern economic and social structure it is absolutely vital that we do not waste the resources of our young men and women. I feel this is the most vital resource we possess and that we must do everything in our capacity to capitalize on it.

Earlier I mentioned fees. It is my understanding that fees now account for less than 15 per cent of the operating revenues received by universities. Therefore, in that context, the malarkey we often hear of a person having worked his way through university really is not true. He may have provided 15 per cent of the cost, but the other 85 per cent of the cost is borne by the taxpayers at large. I believe that to set this up as a barrier to prevent men and women attending university, who should be there, is absolutely wrong.

I would like to make one additional observation. The government is already spending substantial amounts of money on post secondary education. The members of the opposition the other day berated the government for its fiscal irresponsibility. The biggest single factor in causing the government to be $400 million out in its estimates, in spite of cutting $80 million from its controllable expenditures, was the cost of the shared programs which we have with the various provinces. For post secondary education, instead of the estimated figure of $137 million this year we will require $375 million for that purpose. Therefore, $240 million of that $400 million is accounted for by the additional expenditure now being made on post secondary education. It is interesting to note that the present total amount paid in post secondary school fees in Canada is approximately half of that—$130 million.

I believe we should be examining this whole area very carefully to determine whether it would be possible to develop some scheme whereby we could eliminate the payment of tuition and provide some sort of subsidy for the young men and young women

who must travel from beyond commuting distance to attend university. However, to exhibit such concern for those who have graduated and who will be in a position to earn over their working life an income two or three times that earned by the less fortunate folk who do not attend university seems to be a very blatant example of locking the barn door after the horse has been stolen.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like briefly to congratulate my colleague the hon. member for Athabasca (Mr. Yewchuk) for drawing the attention of the house to this most important subject. I congratulate him for doing so in his first notice of motion. Needless to say I agree with the motion. I am impressed by the arguments he has put forward.

• (6:40 p.m.)

I was concerned during the whole of the period between the dissolution of the last parliament and the recalling of this one about the number of students who came to me in anxiety because they were not able to find summer employment. I do not think that at any time since I became interested in this subject, and I have been in university work for a long time, have I seen a greater indication in these affluent times of difficulty on the part of individual students in meeting the basic needs of their university education.

While it may be said that of course this motion does not deal in toto with this immense problem, it is one practical and useful suggestion which falls within the purview of the legislature to which we belong. Certainly it would be very thoughtless of us if in what the hon. member calls this electronic age we missed any opportunity in our search for education in depth for all. If we miss any opportunity to further the purpose which would appear to be in the minds of all who have spoken today, and the views which they hold so sincerely, it would be thoughtless.

Like one of the hon. members who has spoken, I have memories of going through that exercise which, in the archaic language of yesterday, we used to describe as working one's way through college. Some people recommend this as a recipe for all their successers. I have no patience with such a point of view. I think of the many opportunities to advance one's knowledge which are denied to young men or young women who by economic necessity are forced to devote a part of their time to the hard, grim task of keeping body and soul together as they tread the halls of learning.

I welcome this suggestion of the hon. member. It is a very good one, and I think it is timely because, in spite of our affluence, I do believe there is a crisis in this very area of education. Hon. members in other parts of the house have pointed out documentation in respect of this very matter. We hardly need tell ourselves that the human resource is the one we dare not fail to develop to its fullest. If we compare what is going on in other countries we have no reason to be complacent.

The hon. member for Fraser Valley West (Mr. Rose) stated very simply—this has been said before and it should never be forgotten—that it is the ability to learn and not the ability to pay which should be the criterion. There is a wastage of human resources and I am sure that this very day there are young Canadians who are not at university because of financial reasons. I agree also with those who have pointed out that the $1,000 figure is now unrealistic. I agree too with what they have said about the interest rate. I am appalled at the number of students who have applied for loans as they now exist, and have been turned down. There is disappointment among youth. I suppose somewhere all across Canada there are 50,000 young people who are disappointed because they did not receive these $1,000 scholarships that were promised in 1963 at the rate of $10,000 per year. But I would say, as in all of these things, that we must deal not in the past and drink the sour wine of unfulfilled promises, but urge, and I am sure the hon. member had this in mind, that in all the planning this government may do, and in all its efforts to mobilize our resources we surely must begin with those resources the hon. member had in mind as he constructed this interesting, valuable and helpful notice of motion. I say again how much I appreciate his initiative and his thoughtfulness in dealing with this subject, one demanding great priority.

[*Translation*]

Mr. Herb Breau (Gloucester): Mr. Speaker, I am pleased to speak on this notice of motion introduced by the hon. member for Athabasca (Mr. Yewchuk) and asking that the government should study the possibility of removing the interest rate on loans to students.

The students loan program was put into effect in 1964 and I think it has helped many students already. Since 1964, 132,000 students have taken part in the program and approximately $160 million have been loaned by banks and guaranteed by the federal government.

I was fortunate enough to take part in that program because barely a few years ago I was a student. I can say that the program was welcomed with much enthusiasm by the students; they appreciated it and I think that it was at the time and still is a priority for the federal as well as the provincial governments.

On August 21 last, the hon. Minister of Finance (Mr. Benson) explained that new administrative principles had been followed mainly so that only the students who really needed the program could participate therein. To that purpose, the administrative principles had been studied by the federal government and the provinces participating in that scheme, and by the Yukon and Northwest Territories.

I think that when the government considers the possibilities of implementing a program and spending more money on a certain program, it must determine which one of the two would be of greater use to the country. Whether it is directly paid by the federal government, or under an agreement with the provincial governments, it is very important to decide.

I would like to point out to the house that there are still areas in this country where primary schools do not have the necessary facilities to give pupils as good an education as elsewhere in the country. The same is true for high schools, and I can give you an example. There is a lack of physical education facilities in many places, and I think especially of my own province, New Brunswick. In my opinion, there is a priority at the secondary level. There is also a gap in the development of a physical education program.

The hon. member for Athabaska now suggests a measure of assistance for the students. He and other hon. members have spoken of helping the students. I completely agree. I think that we should seriously consider the possibility of helping anyone who wants to study, only in that case let us help the students. A student who graduates is no longer a student.

For example, in the last academic year, between July 1, 1967 and June 30, 1968, about $57 million were lent to 90,371 students. At the interest rate of that time, which was 5¾ per cent, that amounts to about $3 million. The hon. members of the opposition agree that we must have priorities and that we must help the students. They ask us to give $3 million to students who have graduated and who have entered a profession, who are now lawyers, chartered accountants or professors, and to forget about the other programs. In my opinion, priority should really be given to students in secondary schools, in primary schools and in university. We should give priority to those groups that really need it.

The hon. member for Athabaska mentioned also that our graduate students are in debt when they leave college. Supposing a student borrows $5,000; now, according to the new administrative criterions, if a student is given a loan of $5,000, it means that he was unable to find work during the summer or that his parents are not well-off. According to the program, he may have nine and a half years to pay back that $5,000. My figures are not necessarily correct, however it would mean that he could repay $43 a month on the capital and about $25 or $30 on the interest, which would amount to about $68 a month or $816 a year. In my opinion, our country is now going through a period of inflation. Wages are going up, and I do not think that $816 a year could really inconvenience a student once he has graduated. It could, for instance, inconvenience a student who would have to pay back that money while studying, but not once his studies are over.

• (6:50 p.m.)

[*English*]

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I do not wish to speak on the motion, but I want to make one or two suggestions in the next minute. First, I agree wholeheartedly with the hon. member for Fraser Valley West (Mr. Rose) that this is just a halfway measure in meeting the problem. I think it will help in about a year with regard to student unemployment. I believe we should pass this motion, not talk it out.

Second, we should encourage the government members of the house to do something about university accessibility. This should be

a matter of government policy. The government should be doing things like paying university fees, expanding university facilities, facilities for students, and so on. Now, Mr. Speaker, I suggest that the question be put.

Mr. Leonard Hopkins (Renfrew North): Mr. Speaker, the purpose of the student loan program is to assist students to get an education. Once equipped, most of them are in a position to look after themselves. While I am not against the abolition of interest rates of this type, I believe the priority today should be in raising the ceiling of income which parents are allowed to earn before their children become disqualified from obtaining a student loan.

A number of people have discussed this aspect of the student loan program with me, telling me, as the case may be, that they had a son or a daughter turned down because the family income was in excess of the qualifying amount. At the same time, I sympathize with those parents, because their income was not really that much when one considers the responsibilities with which they were faced.

Many of the young people with whom I have spoken would look favourably upon there being an increase in the number of students who can qualify for a student loan by reason of a higher income ceiling which parents are allowed to earn. Their emphasis was on the importance of providing students with money while attending university. My strong feelings with regard to providing more funds for student loans under the federal-provincial agreement is conditioned by my own experience. Other hon. members have today mentioned students who are going through something of a state of depression because of their lack of funds while attending university. I am in full sympathy with the feelings of these people. This is why I am taking a very strong stand on increasing the amount of these loans. It is very depressing when a student sitting in a small room in a city a long way from home does not know where his next dollar is coming from.

Therefore I believe the emphasis today should be on the humanitarian aspect of educating our young people and producing the funds with which to educate them, because I believe they would be quite happy to look after themselves if they were provided with interest free loans during their university education and for six months afterwards.

Many favourable comments have been made here today about the abolition of university fees. This would of course help immensely. But we must consider that a young person who borrows a great deal of money while attending university is faced with paying it back after completing his university education, at a time when he has to set up a new home and start a business career, with all the expense involved.

[Mr. Nystrom.]

I think the day will come when we will abolish these interest rates. There is indeed considerable pressure for the abolition of university fees. If we remember our history, we will know that in Canada in the early days fees were payable even to attend many secondary schools. No one would think of doing this today.

Mr. Knowles (Winnipeg North Centre): You have done it.

Mr. Hopkins: May I call it seven o'clock, Mr. Speaker?

Mr. Speaker: The hour appointed for the consideration of private members business has now expired. I now leave the chair until eight o'clock.

At seven o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

FARM CREDIT ACT

AMENDMENT RESPECTING ELIGIBLE CLASSES, AMOUNT OF CAPITAL, INTEREST RATES, ETC.

The house resumed consideration in committee of the following resolution—Mr. Olson—Mr. Faulkner in the chair:

That it is expedient to introduce a measure to amend the Farm Credit Act to broaden the classes of persons eligible for loans under the act; to increase the amount of the capital of the Farm Credit Corporation; to substitute for the present rates of interest on loans made under the act (except any such loans made pursuant to applications received by the corporation before September 13, 1968) such rate or rates of interest on any loans made after the coming into force of the said measure as may be prescribed by the governor in council; to provide further for certain changes in connection with the administration of the act and for other matters related or incidental thereto.

Mr. Olson: Mr. Chairman, as this is the first opportunity that I have had or have taken to speak in this chamber during this session I would like to acknowledge and to express my appreciation to all hon. members on both sides of the house who have sent me messages wishing me well in my new post.

Members in the opposition will realize that most of what little training I have was received on that side of the house, and while I know that all hon. members are sincere in wishing me well in this task and are also offering to co-operate, I am sure there will be occasions when their responses will sound like anything but full co-operation. Yet, I know this is part of the way in which business is done in this house, and since I participated in that kind of response over the last number of years I will understand fully when it happens.

Mr. Baldwin: We think some of the minister's colleagues could stand a little more experience over here.

Mr. Macdonald (Rosedale): There is no prospect of that.

Mr. Olson: I hope they do not get it for a long while.

I also wish to express my appreciation to the house leader for proposing that the three resolutions dealing with farm credit be considered almost concurrently. We are not asking that the rules be amended or suspended even temporarily, but certainly it is a fact that items Nos. 5, 6 and 7 on the order paper deal with farm credit, and the divisions between the various purposes of the acts following these resolutions is an arbitrary one. Indeed some of them overlap in many respects, and if the house accepts the amendments that I intend to propose, there will be even more overlapping of the acts.

I also wish to acknowledge the co-operation of the house leaders of the other parties in allowing us to proceed in this way with the discussion of the three resolutions.

The resolution in item No. 6 dealing with the Farm Credit Act which established the farm credit corporation and through it provides long term mortgage credit to Canadian farmers, is one of the most important government programs for the support and development of the agricultural industry.

I will not spend a lot of time on the background of these acts because I know that most hon. members, whether they were in this house prior to this parliament or not, are familiar with it, although I think a very brief explanation is in order so that the resolutions may appear in a more cohesive form.

The objectives of the program are to provide the capital to facilitate the organization of Canadian agriculture into viable farm units in the hands of our competent farmers so that agriculture may make the greatest possible contribution to the Canadian economy and provide farmers with equitable returns for their investment of capital, work and skills. It provides the opportunity for individual farmers, in consultation with credit advisers trained in farm organization and management and in farm financing, to obtain the capital required to reorganize, develop or expand their farm businesses, and thus is a most potent force in bringing about the adjustments and the rationalization in the use of farm land so essential to a viable agricultural industry.

Very briefly, it appears from statistics relating to the number of loans, that from the inception of the operations of the corporation in October 1959 until the end of March of this year, the corporation has made more than 72,000 loans for a total of more than one billion one hundred million dollars. About 50 per cent of these funds have gone toward assisting farmers to buy additional land to enlarge their farms. A very significant proportion has gone toward financing the construction of buildings and other improvements to farm land necessary for efficient production.

Between 1961 and 1966 the number of farms in Canada with gross sales in excess of $5,000 per annum increased from about 140,000 to about 192,000. In the same period the number of farms with gross sales of more than $10,000 per annum increased from 50,000 to 95,000 or 90 per cent. While there were many factors involved, there is no doubt that credit under the provisions of the Farm Credit Act made a very significant contribution to these adjustments. I also think that keeping agriculture efficient, not only in terms of cost but in terms of keeping an orderly flow of the raw material needed for our food industry moving into the stream, is also important to people other than farmers.

It is therefore important to emphasize that the beneficial results of a program of this nature accrue not only to the farming public but to the public at large in terms of the efficient and low cost production of food.

To keep pace with the rapid changes taking place in agriculture, there is a continuous need for adjustments in our farm credit program. Several of these adjustments are now being proposed. Further adjustments will be made in the light of and following the report of the agricultural task force which has been established to recommend guide lines for agricultural policy.

As agriculture has developed, more and more farmers are arranging to conduct their farm businesses in co-operation with one another in various forms of partnerships, farming corporations or co-operative associations. It is important that these developments be recognized and that credit facilities be adjusted to meet the increased capital needs where two or more farmers wish to organize and operate their businesses together.

Another important amendment deals with Indians on Indian reserves. Indian farmers situated on reserves have so far been unable to borrow from the farm credit corporation because of their inability to mortgage their land. It would seem appropriate that the corporation be given authority to enter into appropriate agreements wth the Minister of Indian Affairs and Northern Development so that appropriate arrangements can be made to provide credit for the development of viable farm businesses on Indian reserves.

• (8:10 p.m.)

Another important amendment that we will be proposing has to do with father and son business relationships. While the total number of farm operators is gradually decreasing, it remains essential for the future viability of the agricultural industry that there be a continuous flow of competent young men into agriculture. For this reason, it seems necessary, particularly in view of the increasing capital costs required to establish a viable farm business, to provide additional facilities to assist competent young men to get into this field. In particular, it seems desirable to adjust the provisions of the legislation so that a father who wishes to expand his farm business to bring in his son as a partner will be able to obtain the capital required to develop his farm to a size that will make it attractive for the son to join in the farm business. Amendments to this effect will be proposed.

When the Farm Credit Act was passed in 1959, the interest rate which the corporation might charge was fixed at 5 per cent. As we are all aware, interest rates in the general economy fluctuate from time to time. Any great differential between the rate at which the corporation lends money and the general level of interest rates will tend to distort the demand for credit from the corporation. In economists' terms, unrealistic interest rates tend to cause misallocation of resources, and in particular terms any savings as a result of a subsidized interest rate on capital borrowed for the purchase of land could make the cost of the land excessively inflationary. For these reasons, it seems desirable, quite apart from the question of the subsidization of interest, to amend the Farm Credit Act so that rates can be established by the governor in council from time to time in relation to interest rates in the economy in general.

Turning to another aspect of this subject now, Mr. Chairman, I may say that at the moment the authorized capital of the Farm Credit Corporation is $40 million. On the basis of this capital, the corporation is authorized to borrow up to $1 billion, so that the total funds available to the corporation for lending amount to $1,040 million. On September 17, the total amount outstanding to the corporation on its commitments exceeded $1 billion. At the present rate of approval of loans to farmers, the total funds available to the corporation will be used up by the end of October or early November of this year. For this reason, it is essential that the authorized capital of the Farm Credit Corporation be increased in order to permit this lending program to continue. Of course, Mr. Chairman, I hardly need to add that amendments to provide for this will be proposed.

If I may, Mr. Chairman, I am now turning to the other resolutions, in compliance with the agreement we made earlier today. I should like to make a very brief explanation of some of the amendments that we intend to propose in respect of the Farm Machinery Syndicates Credit Act. This act was enacted in 1964 and lending commenced in January of 1965. Very briefly, the objective of this program is to provide a simple means whereby three or more farmers may co-operate in the purchase and use of farm machinery, thus saving overhead machinery costs. May I give a few statistics in relation to this act? From the inception of lending to the end of July of this year, 444 loans have been made to 346 syndicates for a total of about $3.7 million and for the purchase of about 1,388 machines of various types. Although the number of syndicates formed may not seem large, it is significant to know that some of the syndicates have found this operation so successful they have returned for second, third and even fourth loans to expand their co-operative use of farm machinery.

In the light of the experience to date, Mr. Chairman, there are several amendments to the program that now seem desirable. The present act requires the members of the syndicate to be farmers who are farming independently of each other. Experience shows that those farmers who co-operate in

the purchase and use of machinery tend to extend their co-operation to other aspects of their farming operations. For example, some of them may pool their land use to overcome problems relating to the timeliness of seeding and harvesting operations. As a result, they are no longer farming independently. For this reason, it seemed desirable to amend the legislation to that three or more farmers may borrow even though their operations may not be independent of one another in all the ways that the act now requires that word "independent" to be defined.

Some farmers have organized their co-operative efforts through the promotion of co-operative associations or corporations. At the moment, such farmers would be required to enter into separate syndicate agreements in respect of the use of machinery purchased through loans under the provisions of this act. We feel the terms of their association or incorporation already provide the basis upon which they might co-operate in the purchase and use of machinery. It seems unnecessary that they be required to enter into separate, new agreements in order to operate under the provisions of the act.

Much of the machinery and equipment which is most suitable for co-operative use by a group of farmers is of the type that requires installation in buildings designed for it. Examples of this would be equipment required for the washing, grading and packaging of fruits and vegetables, grain drying equipment and of course some types of production equipment. At the moment, the act provides only for the purchase of machinery. I believe it should provide also for the financing of the building site and the specially designed building required for the installation and proper use of this machinery or equipment. Therefore, Mr. Chairman, amendments will be proposed to incorporate these ideas.

To carry this a little further, there are buildings which may be profitably used co-operatively by a group of farmers in the various aspects of their farming operation. An example of this would be the efficient storage of fruits and vegetables which may require large, well equipped buildings beyond the needs or indeed the means of any one individual farmer. A group of farmers could profitably co-operate on the construction of storage facilities for products such as apples and potatoes. It would be possible to build a storage large enough to be economic and adequate for the needs of all.

Another example is the hostel type of housing accommodation for seasonal labourers in areas where the type of crops being produced require an extensive amount of this kind of labour. We are all aware of the difficulties in obtaining seasonable labour for some types of produce. We recognize that one of the principal difficulties is the lack of housing accommodation for these workers. A group of farmers could co-operatively build the kind of housing accommodation required. For this reason, it is desirable to amend the provisions of this legislation to provide credit for the construction of buildings which groups of farmers might use co-operatively for this purpose in particular, but for other purposes as well.

Now, Mr. Chairman, I do not intend to take a great deal of time going through introductory remarks in connection with the other resolutions. There will be other opportunities. However, I should like to spend a few minutes now introducing resolution No. 5, which is the one that deals with the Farm Improvement Loans Act. The resolution indicates a number of amendments, Mr. Chairman, to the Farm Improvement Loans Act, which will reinstate this important farm credit facility in a way to permit it to serve the farming sector even more effectively than it did in the past.

• (8:20 p.m.)

Hon. members will require little by way of general introduction to this program, which is so well known. I must put on the record, however, a few statistics related to its history. It first came into effect in 1944 as a measure to encourage our chartered banks to make term credit readily available to farmers across the country, for a wide range of important projects, at reasonable cost. To this end the government guaranteed all loans made by the banks for purposes set out in the act. This guarantee has been renewed by parliament from time to time in respect of loans made during three year periods. The most recent period was added in September, 1964, to run from July 1, 1965 to June 30, 1968. Hon. members may recall that it did not prove possible to deal with this measure before the three year guarantee period expired on June 30, 1968. In view of the subsequent dissolution of the house, this is the first opportunity to bring this measure before the house for consideration.

Meanwhile, however, the Minister of Finance indicated publicly that it was his intention to seek amendments to the act as soon as

possible to include another lending period and to make improvements in the legislation. As his predecessors had done previously under similar circumstances, the Minister of Finance advised the banks that when the legislation was introduced in the house the new lending period would be made retroactive to July 1 and that any loans they made after June 30 according to the terms and conditions now set out in the legislation would be covered by the government guarantee.

This act first came into effect nearly a quarter of a century ago to help make term credit more readily available to farmers on reasonable terms and conditions. As the Minister of Finance explained to the house when the measure was first introduced, the Farm Improvement Loans Act was designed as an incentive to banks to enter the term lending field to farmers on a major scale.

A maximum rate of interest of 5 per cent was included in the act, which rate at that time was sufficient to cover the banks' cost of operation and give them an incentive to go after the business. I think hon. members will agree that this legislation has been eminently successful in achieving its objective. The use that has been made of this facility over the years has shown considerable growth. Annual lending of about $10 million in 1946 rose to $100 million by 1960, and to the $200 million level by 1965. Since then, the growth has been slower.

The Chairman: Order, please. I regret to interrupt the Minister of Agriculture but I must advise him that his time has expired.

Some hon. Members: Continue.

An hon. Member: What about the 1967 figures?

The Chairman: Has the minister the consent of the committee to continue?

Some hon. Members: Agreed.

Mr. Olson: I thank hon. members for their courtesy, and I shall not transgress too much on the time of the committee. I was saying that the figure had increased to $212 million in 1966. I believe someone opposite me asked what the 1967 figures were. There was a slight decline in 1967 to about $204 million.

Mr. Hees: Is that slight?

Mr. Olson: This indication of slower growth and decline in 1967 may have been explained in terms of developments affecting Canadian agriculture generally; but subsequent developments suggest that it is a reflection of the increasing reluctance of banks to commit funds at 5 per cent, despite the presence of the government guarantee. During the latter part of last year and the early months of this year, when interest rates rose sharply, bank lending under the Farm Improvement Loans Act fell off sharply and virtually ceased some time before the lending period formally expired on June 30, 1968.

I mentioned a moment ago that this act was designed as an incentive for banks to make these loans, and I think it is important to keep in mind that the objective of this legislation is to facilitate the making of guaranteed loans to farmers; but the ultimate decision on whether such loans are made rests with the lender. Farm improvement loans are guaranteed by the government as to their repayment in the event of default, but the lenders are the source of financing. The lenders of these funds must, of course, take into account the prevailing general level of interest rates and the cost of them of their sources of funds.

An amendment to the act which makes the rate prescribable by regulations would enable the government to establish maximum rates that would be below rates that farmers would have to pay in the absence of the guarantee, but that would be high enough to enable the banks to continue to lend their wholehearted support to this program. It would also provide the flexibility necessary to see that the program continues on a fair and equitable basis to both borrower and lender by ensuring that the rates reflect changes over time in the general level of interest rates. Under these circumstances it should be possible for a new group of lenders to become active under this program.

The amendments I have just referred to would have the effect of reactivating operations under the act. I shall now turn to other amendments that would significantly broaden the operations under the act.

As hon. members are aware, the credit requirements of the farming sector for land purchases are now met almost in their entirety by the Farm Credit Corporation. With the rapidly growing credit requirements in recent years for both major and minor land purchases this has meant a growing demand on the government's cash resources. Of course, F.C.C. provides a good deal more than the funds to meet these credit requirements. There are many progressive and profitable farming enterprises in the country today

which became that way not only because they borrowed from the F.C.C., but also, and perhaps more so, because they received expert guidance and counsel from F.C.C.'s highly trained staff or agricultural experts. The F.C.C. has, however, financed in the past numerous smaller purchases of land not requiring the specialized service of the F.C.C. but capable of being suitably handled by regular commercial lenders. A case in point would be a relatively small piece of land that may come on the market and help a farmer round out his existing farm holdings. We are proposing to make such relatively minor land purchases eligible under the Farm Improvement Loans Act. For larger land purchases a farmer would of course continue to look to the F.C.C. for financing.

The addition of the purchase of land as an eligible loan purpose and the flexibility that is proposed on interest rates makes it appropriate to broaden the range of lenders among whom a farmer may wish to choose when making his financial arrangements. The proposed amendments would add as eligible lenders loan, trust and insurance companies, which are particularly familiar with mortgage lending, and credit unions and caisses populaires, which could service their member-clients over the entire range of loan purposes under the act.

The inclusion of credit unions, which have a long and strong tradition in rural areas and particularly in western Canada will, I am sure, be welcome by those interested in rural co-operative movements.

• (8:30 p.m.)

To accommodate this new loan purpose without unduly restricting a farmer's ability to borrow under the act for other purposes, such as the purchase of equipment, the amendments would raise the maximum loan amount that may be outstanding to a farmer at any one time to $25,000. An amount of up to $15,000 may be outstanding in respect of land purchases. The present loan limit of $15,000 for loan purposes, other than the purchase of land, would continue to apply, but both these loan limits would be made subject to a new over-all ceiling of $25,000. If a farmer wished, he could continue to borrow up to $15,000 for purposes covered in the present act, and have in addition up to $10,000 for the purchase of land. If he preferred to use up to $15,000 for the purchase of land, he would be able to obtain a government guaranteed loan up to $10,000 for other prescribed purposes.

Mr. Chairman, I think we all recognize the importance of continuing what has so far been a very successful program. The proposed flexibility of interest rates, combined with the participation of new lenders, the addition of a new loan purpose and higher loan amounts, will no doubt provide the basis for a further successful period of credit support for farmers.

This is a brief outline of the amendments we intend to bring forward when the bills to follow these three resolutions are brought into the chamber. We have done the best we can, when framing these amendments, to make these three acts as useful and effective as possible. While they may not be perfect, I think they go a long way toward recognizing and making provision for needed development in agricultural credit requirements.

In conclusion I wish to thank all hon. members for the co-operation they have extended to me during the past few weeks. I know there are many problems in the field of agriculture and that these changes in farm credit legislation will not solve all of them. However, they will go some distance and we hope members in all parts of this house will co-operate with us in allowing us not only to deal with all the resolutions as a package, but to bring the subsequent bills forward one after the other; because I think the whole debate on these three bills deals essentially with one subject, that of farm credit, and it would be difficult to separate the three resolutions, or the three bills, and deal with them in the course of three separate debates.

The reinstatement, with improvements, of the Farm Improvement Loans Act is needed at once. Not a day goes by without a large number of letters passing over my desk from farmers who ask how quickly we can re-enact this piece of legislation. So it is needed right away. The need for the changes in the Farm Machinery Syndicates Act and the Farm Credit Act may not be so urgent, but we have committed all the money we are authorized to commit to the Farm Credit Corporation. So without making any attempt to restrict debate I would ask hon. members in all parts of the house to expedite the passage of these bills in order that we can make these services available to farmers.

Some hon. Members: Hear, hear.

Mr. Danforth: Speaking on behalf of the Official Opposition I wish to express appreciation to the minister for his introduction of these three measures, so important to

agriculture at the present time. I wish also to thank the hon. gentleman for giving us details of the amendments he proposes. They are many in number. We cannot hope to deal with all of them this evening, so the opposition reserves the right to consider them one at a time in later stages of the debate.

The hon. gentleman has pleaded with us tonight to pass these bills very quickly, telling us that the money is badly needed by the farm community. He certainly speaks the truth. But, Mr. Chairman, these funds have been needed, now, for many months by those engaged in agriculture. It would be interesting to see an evaluation of the hundreds of thousands of dollars spent by the farmers of this nation in higher interest rates because this government in its wisdom early last year declined to put this necessary legislation before the house.

Mr. Nesbitt: You would not even call the house early enough.

Mr. Olson: It was offered to you, but you would not deal with it.

Mr. Nesbitt: You were not over there, then.

Mr. Danforth: The minister speaks of the 5 per cent interest rate. Under the Farm Improvement Loans Act the money is not available to farmers at the present time. The minister knows that for months this source of money has dried up, forcing farmers to pay interest rates of 13 per cent, 14 per cent and even more to the loan companies and the machinery companies in order to obtain new machinery or take advantage of the opportunity to improve their efficiency.

What we have before us tonight at long last is an admission by the government that agriculture needs more money, and a statement that interest rates will be permitted to rise in order to make this money available. We who sit on these benches intend to scrutinize the amendments very carefully. As far as farm improvement loans are concerned, and loans to machinery syndicates, we wish to make these available as quickly as possible, knowing how desperately they are needed.

May I suggest, since those two bills deal with short term loans, more or less, and since farm credit loans are a long term proposition, that the government seriously consider sending the latter piece of legislation to a reconstituted standing committee on agriculture, where an opportunity might be afforded of examining the procedure by which such loans are made, and the terms which might be placed upon farmers. Every member of this house has encountered instances where farmers' applications for loans have been refused, on the ground that they are already operating economic units, and therefore do not need loans.

• (8:40 p.m.)

At the same time other farm loans have been refused because farmers as yet do not have economic units and therefore cannot obtain them. As a result many farmers of this nation have found it almost impossible to comply with the regulations and obtain the necessary funds for expansion. So, Mr. Chairman, it is our earnest desire that the government give serious consideration to referring this one, of the three measures, to a standing committee, for an examination of the terms of the bill and the amendments proposed.

Having said that, Mr. Chairman, I would like to point out that the government does not solve any of the major farm problems by offering farmers an opportunity to get deeper in debt. In other words, Mr. Chairman, every farmer of this nation knows you cannot borrow yourself out of an economic obligation.

An hon. Member: Not even the government can do that.

Mr. Danforth: We found through the years that when extensive credit was available it has increased the cost of land, it has increased the cost of machinery and, according to the government's own statement, in the last six years it has put the farmers, through the farm credit bill alone, $1,100,000,000 further into debt.

Having said that, Mr. Chairman, I want to point out to the government that the farming community is going to look at these three bills with a great deal of suspicion, not because farmers do not want this money, not because they do not appreciate the increase in credit, but because they are going to be very suspicious of the open end where the government, at its discretion, may state what the rate of interest shall be, and at its discretion change the rate of interest.

In these bills I think we should have a definite formula, perhaps related to the present interest rate, in order that when they approach government for money farmers themselves will know definitely what they will be expected to pay this year, next year and any other year. So we must look at this part of the government's proposals with a great deal of suspicion and caution.

Further, Mr. Chairman, farmers today are going to be most hesitant in increasing their financial obligation, because during the last six years they have not been able to obtain any indication from the government as to where it thinks agriculture should go. There has been no policy, so much so that today a so-called efficient farm, as the government points out may, by the government's definition, be an inefficient farm tomorrow. This occurs, not through any fault of the operator, not through actual inefficiency of the operator, but because of changing trade patterns that are encouraged by the government, because of changing labour requirements that are encouraged by the government, because of a tremendous increase in imports being allowed by the government, and because of changes in tariff regulations which in themselves, taken singly or collectively, can reduce the gross returns of the most efficient farm, put it in a position of operational inefficiency and therefore, according to the government, place it in a position where it should pass out of existence.

Because of the substitute products coming on the market and because of overproduction in some segments of it, the dairy industry is in trouble. Every member of this house realizes that. Most dairy operators are of the considered opinion that in order to compete on an international basis they must be most proficient and efficient in their operation. With dairying, as it is today, some dairy farms will require $100,000 additional capital in order to modernize and take advantage of the most recent innovations. But dairy operators are sound businessmen and they are not going to borrow $100,000 unless they know the government's plans for the future of the industry.

We cannot have, as we had in the past under the previous government, three different national dairy proposals or plans in three years, with the result that dairymen had no idea what the government proposed for them. Businessmen are going to look at this very carefully before they tie up their funds for years in advance. The government tonight speaks of additional credit for farmers. We on this side say that farmers before they take advantage of this credit have a right to know what the government's policy is.

What has happened in the last three years to the farmers of this nation? The Ontario sugar beet industry passed out of existence. What about the farmers who took advantage of farm improvement loans to buy beet combines? They paid $3,000 or $4,000 for beet combines, but because of lack of a government sugar policy the beet industry went out of existence. How are those farmers expected to finance and pay for those machines?

What is happening to the corn industry today? Hundreds of thousands of dollars worth of farm equipment is tied up in it. Hundreds of thousands of dollars of Farm Credit Corporation money is tied up in enlarging corn farms. What is going to happen if this commodity passes out of existence, due to the economic climate? How are those farmers going to repay their loans?

What is going to happen to the canning industry if we allow, as we have done, imports to come into this country to such a degree that that industry and those engaged in it are on a marginal economic existence? What happens if we cannot sell our wheat? Who is going to repay these loans totalling $1,100,000,000 that farmers have borrowed since 1961? If the the farm industry collapses who is going to repay this money?

What is going to happen to our beef industry if we increase imports of beef from Agentina and other countries? What is going to happen to the tomato industry if we continue to import tomatoes from Mexico, Bulgaria and Portugal? These, Mr. Chairman, are the questions farmers are asking. Where do we go from here?

Mr. Stanfield: To the just society.

Mr. Danforth: Farmers realize, but the government does not, that under present policies the farming industry can no longer exist as a great industry in Canada. They do not need a task force to tell them what the problem is: They know what the problem is. The problem is that they are no longer governed by the law of supply and demand, or the law of a free enterprise system. They know that as little, local, provincial co-operatives they cannot hope to deal efficiently and effectively with state controlled sales and state controlled subsidies. They know that as individual farmers, as co-operative farmers or as provincial organizations they cannot compete with managed markets. They cannot compete with international food chains that can buy all over the world, and through their own distribution systems take advantage of vast markets.

• (8:50 p.m.)

The farmers turn to the federal government for this. They want to know what the federal government intends doing about it, and

whether that government will provide them with the domestic market. They wish to know whether we are to have our own Canadian market, or whether the government intends as in the past to encourage imports in a desperate last ditch attempt to force down the cost of living. Is the farming community to be sacrificed for this? Are the farmers to be asked to bear the brunt of the new taxation measures the government proposes? What will happen to the farming community under the new GATT trading arrangements and the Kennedy round? This has never been discussed in the house. The government has not stated its policy in this regard. Certainly it has indicated that some industries will be hurt and that an attempt will be made to compensate those industries, but where does the farming community fit into all this? Many times when a farming industry is not hurt directly, if some of the allied industries are hurt it is the farmers who pay.

The minister tonight has stated that there is an attempt to increase the credit to the farmers of this nation. I compliment the government on this and on some of the amendments which I believe will help the situation. I should like to point out, however, one example. Under the syndicates act accommodation is to be provided for seasonal labour. In other words, if a group of farmers wishes to employ seasonal labour to harvest the crop in season, be it strawberries, tomatoes, apples, tobacco or some other crop, under the terms of the act, as I understand it, the government will be prepared to lend the money necessary to construct the accommodation. What will happen if this labour is imported from Jamaica, and the immigration policy changes? What will happen if the local canning company to which this produce is delivered is put out of business because of imports? W ll this group of farmers, which can no longer engage profitably in this endeavour, be forced either into bankruptcy or into paying off these loans?

I suggest that through the extension of credit alone we can neither answer nor hope to answer the many serious problems facing agriculture today. The farmers of this nation who have been waiting impatiently for years are now told that when the task force makes its report the government will consider the recommendations. It is no wonder the farmers of this nation are impatient. They know what the problems are, and they expect government action to solve some of these problems. They expect the government to act on their behalf. Farm credit alone will not suffice.

Recently we have seen what can happen with regard to a commodity, and I am speaking once more of corn. In a single year we have reached the point where, at the present time, the receipts for this crop are considered to be lower than the cost of production. We have seen what has happened in the case of sugar beets. Farmers who for years considered this to be their main crop suddenly found that they could not grow it any longer. We have seen what has happened to the small canning companies across this nation when they have been faced in the marketplace with sudden imports.

We have seen what can happen with regard to credit. Farmers who have depended on the Farm Credit Corporation or the Farm Improvement Loans Act to help them in time of need have found, through government action, that this source of credit has been taken away from them. When they have needed a loan, they have attempted for months to survive without it. We are about to see what may happen under the changing trade patterns brought about by the Kennedy round.

I do not wish to appear to be pessimistic, but under the changing regulations in respect of the dumping duties, and the trading which has been taking place on a commodity basis, I fear there are some segments of the Canadian agricultural industry which will be in dire circumstances. Therefore I say to you, Mr. Chairman, and through you to the government, that we intend to do all we can in an attempt to get this legislation through the house as quickly as possible. But we will do our very best to see that the interests of the farmers of this nation are taken care of, because it is long past the time when members in this house should be awakened and made aware of the circumstances faced by the agricultural community today. They should begin, in a constructive manner, to do something about it. We cannot introduce this legislation, but when the legislation comes before the members of this house we intend to do our very best to serve the farmers of this nation.

Mr. Gleave: Mr. Chairman, when speaking for our group with regard to this credit program that is being offered to the agricultural industry as a whole, I must say that I believe some real opportunity to do something new and imaginative may well have been missed. While I say this, I am aware that the minister

knows I have a considerable respect for his ability, since we have known one another for a number of years. When one looks at this program he must consider that although the intention is that more money will be made available to farmers in the form of credit, it is proposed that this money be made available to them—I think we must assume—at a much increased rate of interest. The term used was that the present rates are unrealistic. I suppose therefore that we will have some realistic rate, and this will depend on what particular economist we are listening to at what particular time.

Are these interest rates to be realistic in terms of the farmers' costs of production? This remains to be seen. Before I talk about interest rates, however, I should like to say that what is lacking here more than anything else is a co-ordinated approach to farm credit in an attempt to tie together the long term, intermediate and short term credit. Certainly a very high percentage of farmers are now using these three types of credit.

• (9:00 p.m.)

What we are being offered here is just a continuation of what we have had. The proposals in respect of the Farm Improvement Loans Act are just the same, with some added money made available. The Farm Credit Corporation will continue to operate as it has. There is no method of tying these together so as to have a package approach. In that way the whole scope of the farming community could be served.

Back in November of 1962 a working paper was prepared for the royal commission on banking and finance by D. W. Carr and Associates. This working paper was in respect of farm credit in Canada. As far back as that date Mr. Carr and his associates made some recommendations on this very subject. The report said:

> The most important lenders in short and intermediate term farm credit were the chartered banks. A significant part of this lending was under the Farm Improvement Loans Act through which a degree of public responsibility for such farm credit had been initiated. To carry out these responsibilities effectively and most profitably the banks operations under F.I.L.A. clearly needed the specialized technical guidance and advice of agricultural credit experts. The interest of both the banks and the farmers would be best served by F.I.L.A. having closer association with the federal Department of Agriculture. This could enable F.I.L.A. lending to be expanded with the confidence that the risks were minimized by sounder lending techniques for both F.I.L.A. and ordinary farm loans and should thus reduce the risk on the banks' ordinary farm loans also.

Instead of following this line and looking for more advice we are going to open up this field to the insurance and trust companies, and the government is going to guarantee them against loss. This means that if, as a previous speaker has suggested, a farmer gets in over his head, the farmer himself is taking the risk. There is always a risk when you lend money but it can be minimized, and this is one way it could have been done. The report then continues indicating that a co-ordinating body should be set up to co-ordinate the various lending agencies and states:

> A most important function of this development co-ordination body would be to establish in the beginning more adequate sources of information for appraising trends and developments in farm financing, to initiate research and analytical appraisals of changes and problems in farm credit demand and in its sources of supply, to develop and promote the use of improved techniques by both private and public lenders and to review and develop measures to meet the changing needs in credit services to farmers.

This information has been available to the government since 1962 and the government paid good hard cash to get it, yet it has not been used. What the report is saying in effect is that more should be done in the way of what is being done by the Farm Credit Corporation. The Farm Credit Corporation has an electronic farm accounting program which is now serving 2,700 Canadian farmers, providing them with information which is important to their day by day decisions and long term planning. The Farm Credit Corporation states that farmers use this service for a wide range of purposes in the size and operation of farms and so on. The report states that this information is important to the development of lending methods to meet the changing needs of farm financing in Canada. The corporation's success with this electronic farm accounting program has been a contributing factor in the general interest in developing a national farm recordkeeping program. The corporation's experience has been made available to those involved in developing such a national program.

I hope this information will be used. This is the type of thing that should be tied in with other lending programs. If we allow the banks and trust companies to enter the short and intermediate term lending field, without any safeguards and without having any cross reference information, in a certain number of years we will look around and see that some of these loans have become bad loans. But no one will have the precise information which would indicate the reason for such a situation.

It is in this direction that I suggest our farm credit policy should be headed. I see no indication in the resolutions now before us or in the remarks by the Minister of Agriculture that there is any concept on the government side which recognizes this need. We have a real opportunity in this lending field to obtain information and working knowledge of what is happening, but we have never taken advantage of that opportunity.

The Farm Credit Corporation has made some advances over the years and is doing a better job than the old farm loans board, its predecessor. It is gathering information and giving more guidance and counselling to the farmer, although to my knowledge it has not yet built up the specialized staff of supervisors that should be available. Perhaps this is government policy.

The Carr report finally states:

> The most effective way of initiating this development agency would be to establish a public body probably attached to the Department of Agriculture to co-ordinate these various development activities. The established governmental agencies for direct farm credit could be fitted into it to fill their role as a part of the over-all credit system developed under this body and continuing to supply the important services they had established. Thus the Farm Credit Corporation could maintain its mortgage services supplemented by the new facilities as they were developed by the co-ordinating body.

This working paper concludes by stating:

> —progressive improvements in farm credit services in Canada could be expected, the path of agricultural adjustment would be made smoother and less difficult for farmers and the competitive position of Canadian agriculture would be strengthened.

Whether this would happen or not I do not know, but this is a what the fifth annual report of the Economic Council suggested we should be aiming for; and credit should be part of the policy followed to reach these objectives. We are not going to meet these objectives as a result of what has been submitted to us. I suggest with all sincerity that the Minister of Agriculture should be concerned about this situation and should consider these suggestions.

I have no particular objection to the trust companies and insurance companies getting into the lending field. I suppose that in a free enterprise economy, which hon. members on the other side of the house support, it is up to those companies to decide. However, on looking back at what they have done for farmers, I am wondering just how much good such a policy will do for agricultural communities. When one looks at the long term record, he sees that these companies have done very little. Perhaps for their own reasons at this time they want a piece of this action.

[Mr. Gleave.]

• (9:10 p.m.)

The risks of agriculture are there, and they are big risks. Those of us in the business know how big they are. The government will be doing the farmers of Canada no favour if they increase the credit risks in farming. The previous speaker outlined at some length the situation in agriculture and farming. I realize the situation as well as he does, but I do not want to take up a great deal of time telling the government what I assume they surely know, that agriculture and farming is not one of the industries that will carry an 8 per cent and 9 per cent interest rate.

Surely they know that. But they come to this house with resolutions which say, in effect, "We are not going to leave it to parliament any more to set the interest rates for the Farm Credit Corporation. We are not going to leave it to parliament to set the interest rates under the Farm Improvement Loans Act." Apparently they do not think parliament has the good, common sense to do this, although parliament has done it since the inception of these measures.

The government says, "We will not leave that with you. We want you to write us a blank cheque, and in our good, reasonable and wise time we will set some realistic interest rates." Have they so little confidence in the economy that they feel they cannot bring before parliament a level of interest rates that will survive for three years; or are they afraid that if they alter the interest rates which now exist in an economy in which we are trying to live, parliament will not accept the interest rates they will have to propose? Are they unwilling to say to the people of Canada that farming in this country is in such a situation, and the earning margins are so low, that if we want farmers to stay in business we have to subsidize the interest rates as they exist in Canada? These are the circumstances which exist; the previous speaker did not exaggerate.

From the papers I have before me I could quote the president of the Dairy Council of Canada, who said we used to get one-fifth of a cent margin on a quart of milk, but many farmers are not now receiving this margin. You can open the books in Saskatchewan on the farm management study that has been carried out by farm clubs and the provincial department of agriculture, and the story is

there for you to read. You can go to Manitoba and get the same kind of information. The story is there to be read. We do not have to guess any more in connection with many of these things.

Therefore I say that this parliament should not accept the suggestion in these resolutions that the interest rate be left to the tender mercies of the government. I say this is a proper decision for this house to make. Whatever interest rates are proposed, they should be put into the act and brought before this house.

To realize the problems which exist in agriculture one has only to read some of the briefs from farm organizations. I have here a brief from the National Farmers Union. This is one matter on which the National Farmers Union and the Canadian Federation of Agriculture do not diverge to any great extent. The submission of the National Farmers Union says, in regards to credit:

> What is important is security of tenure, and this, in our view, can best be provided by realistic public policies and participation combined with a social concept on the type of rural community our nation should be aiming for in the future. The Farm Credit Corporation is now a useful instrument, but is too restrictive in its lending policies, requiring, as it does, unreasonable security on its loans. For example, in a recent case, a farm wife in Saskatchewan was required to sign away her rights under the provincial homestead act on the home quarter section of land which, in addition to two other quarter sections of land, was required by F.C.C. as collateral for a loan of $12,000 for the construction of a farm home.

I wonder whether the trust companies and insurance companies will be more generous when they become a part of the credit program. I have my doubts. Let me quote from the *Union Farmer*:

> —J. B. Hansen, Royal Bank supervisor, who will be in charge of the bank's revamped agricultural headquarters. At the same time it was announced that the bank, realizing that farming today is big business, has appointed representatives in the prairie provinces who are "experts" and will advise on agricultural questions.

I have no objection to the bank appointing experts to advise on agricultural questions. If they think they are to lend a great deal of money, they will probably need experts. But this proves the point I put forward at the beginning of my remarks, that if the job was being properly done within the Department of Agriculture, the bank could turn to the trained men in the lending department of the Department of Agriculture and say, "We are willing to be part of the program. We are willing to lend the money. What are the facts?" Do we want each bank employing a bunch of experts, for whom we are all going to pay? With regard to the Farm Credit Corporation, the trust companies and insurance companies, is each one going to build up his own little gathering of experts, so-called?

One thing about the farmer is that he never runs out of experts. I am always amazed at the number of people who are sure they know how to run his business better than he does. I have set out some of the things that I think are relevant to these three resolutions, and with that I leave it to the minister responsible.

Mr. Thomson (Battleford-Kindersley): On a point of order, Mr. Chairman, may we ask the minister a question or questions?

The Deputy Chairman: Not without the consent of the committee.

[*Translation*]

Mr. Fortin: Mr. Chairman, I agree to let the hon. member ask his question or questions now, if he wishes to do so, and I shall then continue with my remarks, if that is in order.

[*English*]

Mr. Thomson (Battleford-Kindersley): Thank you. Mr. Chairman—

The Deputy Chairman: Order. Is the committee agreeable to giving unanimous consent to the hon. member to ask a question of the minister?

Some hon. Members: Agreed.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I ask the Minister of Agriculture for clarification on a question of fact. Is it his, or the government's intention to open the loans field under the resolution which is No. 5 on the order paper to all trust or loan companies, or are some specified? Under item No. 6 the minister speaks about broadening the class of persons who can acquire loans. Is he still retaining the requirement that they must be farmers?

• (9:20 p.m.)

Mr. Olson: I do not mind answering that kind of question at this time, but I should like to say that a reply to those kinds of questions would require a speech. I think it would be better if spokesmen for the parties, and any hon. member who wishes to comment on my introductory remarks, would confine themselves to the opening statement, before going into the very broad questions which the hon. member has just posed.

[*Translation*]

Mr. Fortin: Mr. Chairman, I am happy, in the name of the members of the Ralliement Créditiste, to answer and to comment upon the very interesting speech made a few moments ago by the hon. Minister of Agriculture (Mr. Olson) concerning the three resolutions intended to extend farm credit.

Mr. Chairman, in an article published in the *Financial Post* on January 29, 1966, Mr. John Schryner said this:

> The transfer of agricultural property to the new generation has created a great demand for farm credit. This transfer began early in the 1960s and, according to some economists, will continue during the 1970s before declining gradually.

I am very pleased with this statement by Mr. Schryner and also with some of those made by the hon. Minister of Agriculture in his speech a few moments ago. The minister announced that he would introduce measures intended to encourage young people to take possession of their land and to continue their parents' work.

Mr. Chairman, we know that the problem of young farmers is enormous. We must, therefore, encourage them to show a greater interest in agricultural matters and, to do that, we must take steps to help them become integrated in that sector.

I would like, therefore, to tell the Minister of Agriculture, who is here tonight and has delivered an eloquent speech, that I thank him for the particulars he gave us and I hope he will take further steps to help young people to become integrated in the agricultural sector.

Mr. Chairman, today is a time of reflection for eastern and western farmers alike. It is a time of reflection or meditation, if you like, because if there is one group which is serious, it is the farming community.

The farming community has always been the quietest. As mentioned recently by the hon. member for Bellechasse (Mr. Lambert), it has always been the one that worked when it was asked to, that produced when it was asked to, and which remained silent when it was told: Produce and keep quiet.

Mr. Chairman, the farm people as a group have given a lot in the past, they have never refused to produce. But today the farmer is asking himself: Why bother to keep up production when my products are selling at a loss? That is a serious problem, Mr. Chairman, and I hope that the Minister of Agriculture will take note thereof.

[Mr. Olson.]

It has often been said that the production problem has been settled once for all. As a former Social Crediter—I doubt that he still is—the minister is well aware of it. Production in itself can easily meet Canadian needs. As far as the consumer is concerned, his purchasing power is inadequate to buy and sell that production. The problem is there, Mr. Chairman. When one says that Canada is a rich country, one means that it is rich in possibilities, rich in resources, rich in its future, rich in goodwill, rich in hopes and, for the Canadian farmer, it is rich in disappointments.

We now have in Canada a floundering farming industry. How come? Because each time a farmer could hope to get some kind of assistance, a loan from the Farm Credit Corporation for instance, the same silent thief is always there to prevent the farmer from improving his lot and I refer to the rate of interest. The rate of interest, the so-called silent thief, is protected by all governments, either Liberal or Conservative.

Mr. Chairman—and I will be brief—in 1955, the consumer price index rose to 112.1, as against 100 in 1949. In 1964, the same index reached 132.4 and I did not obtain yet the figures for 1968, since the minister took us by surprise. But nevertheless, the consumer price index has shot up once more.

And, during the same time, has the farmer's profit increased? I ask the minister: During the time when the consumer price index was continually rising, did the net profit of Canadian farmers, the western or eastern farmers, increase proportionately to the cost of living?

I know the minister is sincere enough to answer: No.

Mr. Chairman, that is the core of the problem. First of all, we must adapt our modern needs to a modern economy. That is why we must adjust our agricultural policies to the conditions of a modern economy and, as such, several suggestions contained in the resolutions introduced by the Minister of Agriculture can meet the need I mentioned, namely, to adjust our agriculture to a modern economy.

In this connection, in a while I shall enumerate a few bills which surprise and please us; they represent as many bills that had long been hoped for. Obviously, as the minister said, we cannot solve all the problems at the same time, but the fact remains that the minister did not mention one problem this evening, which is every bit as urgent, if not

more so, than those of production, the expansion of farms, the financing of farms or the purchase of agricultural equipment: I mean the problem of marketing our agricultural products. Even if the farmer does produce tons and tons and tons of potatoes, tons and tons and tons of carrots, he cannot be expected to go bury himself under his carrots and potatoes.

Mr. Chairman, someone must buy his potatoes, his carrots, his oats, his wheat, his corn, and God knows what else. In this regard, let me give you an example, which concerns my riding of Lotbinière—incidentally, I invite the members to come and visit it because it is one of the most beautiful in Quebec—and I take as a pattern a short article published in the magazine *Semaine Illustrée* dated September 11, 1967. I quote:

They bury their potatoes in the ground in order to benefit from Ottawa's assistance.

At this stage, I invite the Minister of Agriculture to listen to me, carefully, because what I am going to say is worthwhile. It is as intelligent as changing a dollar for four quarters.

The potato producers of the Victoriaville area have had such an abundant crop this year that they had to sell them at a ridiculous price or bury them in the ground in order to receive a special subsidy of one cent a pound from the federal government. It is estimated that about three million pounds have thus been disposed of in that area while people are starving to death everywhere in the world, and even in Quebec.

Let us look at the scandal prevailing in the field of agriculture.

In the past, the Bois-Francs farmers received about two and a half cents a pound, but this year the crop was amazing. Due to this surplus production, potatoes only yielded one and a half cents a pound with the result that several farmers are on the brink of bankruptcy.

And the majority of the farmers had to bury their potatoes in the ground in order to get one cent subsidy from the federal government.

• (9:30 p.m.)

When government measures force the farmers to use more or less honest means in order to manage, these measures are, in my opinion, restrictive.

That is one of the first things I wanted to say on that subject. I am very disappointed that, at the beginning of this session, amidst all this opportune and inopportune talk of a just society, an unjust society and a society "just for fun", a measure should not have been introduced to help the farmers to market and sell their products at a reasonable price.

Mr. Chairman, agriculture must be considered in the following way: Since we all have to eat, we owe a great deal to our farmers, who provide us with the food we need. Agriculture is the very basis of our society. There is nothing to be gained, as consumers, by acting to the prejudice of the farmer. Farmers say they could get more for their products. They also say that we could pay less, that supermarkets could still receive a fair profit for their investment.

However, as soon as we look at a situation not through blue or red glasses, but objectively, we see it in a new light. Who should we believe?

Mr. Chairman, in 1961, the number of farmers in Canada was 480,000. Since then, more than 20,000 farmers have given up agriculture. Why? We will be told that farms are not economic. Therefore, farmers go to the cities where they become victims of unemployment. Then, another minister takes over. They are educated and they become the educated unemployed.

Mr. Caouette: In the riding of Mercier.

Mr. Fortin: That is right, in the riding of Mercier.

We will really have become hewers of wood and drawers of water, at the agricultural level, if we fail in our rich country to make agriculture more attractive as a profession.

Mr. Chairman, a "head of lettuce" to take an expression from the farmers' vocabulary, and there are three in the Ralliement Créditiste—for which the farmer gets a nickel is sold 35 cents or 40 cents at the supermarket. On the other hand, if the farmer tries to get 6, 7, 8, 9 or 10 cents for it, it will not sell. Mr. Chairman, there is no need to draw a picture, those figures tell the story. I know that the Minister of Agriculture is aware of that, and that is why I am telling him those things, to refresh his memory, so that he will remember them a long time. I welcome those three resolutions for the following reasons.

First, it is the proposal to extend loans through Farm Credit corporation and other organizations to a larger number of farmers. I think it is a positive measure and I commend the Minister of Agriculture for it.

As far as these loans are concerned, we of the Ralliement Créditiste are objective, as

everyone can see. It has been said, Mr. Chairman, that these loans will be used for the construction of buildings and will enable farmers to purchase farm machinery. In my opinion, this is an excellent measure.

Second, it raises the maximum amount of a loan to $25,000. I think this is a constructive measure. One must not always criticize but see what is good and what is not.

There is another observation I should like to make at this stage as regards something I find very encouraging and which shows goodwill on the part of the minister, namely his intention to encourage loans so as to accelerate the setting in motion of co-operatives. Farmers group themselves into co-operatives, and the minister intends, through such measures, to encourage for good and all the co-operative system. Here again, I agree heartily with him and congratulate him. This will not be all, for there are two sides to the question.

There is also the purchasing of land by the farmer, in order to increase his turnover. Here again is a measure that can be constructive I think, that could also be double-edged. What will become of the farmer who will sell his land to his neighbour? Will he become unemployed? No trouble. Let them come to Lotbinière and they will see that there are problems, that cases like that do exist.

Mr. Chairman, I am strongly against a measure that was introduced at least 14 times and here is why: the minister expects such a measure to increase the number of lenders. He takes for granted that insurance companies, loan companies, credit unions, Caisses populaires and chartered banks will be of some help. As long as he refers to the Caisses populaires, I agree but when he refers to chartered banks, credit unions, loan and insurance companies, I say that the Minister of Agriculture contradicts himself, repudiates his past convictions and comes to terms with trusts that exploit people.

Mr. Chairman, in order to give an example, let us suppose a $2,000 loan. Someone applies to the Banque Canadienne Nationale, he will end by repaying $2197. Listen carefully to this: the annual rate of interest is 9.48 per cent at the Bank of Montreal—I am still referring to the $2000 loan, spread out on a two-year period—so, you get $2000 and you repay after two years $2205, at a rate of interest of 9.87 per cent. At the Provincial Bank—for that same loan—you will repay $2208 at an annual rate of interest of 9.98 per cent. Therefore, when the minister tells us, in his resolutions, that he wishes to abolish the rate of interest on loans, as regards farm credit machinery, farm implements, buildings and so on, he wants to abolish the rate of interest of 5 per cent in order to give all that to insurance companies, loan companies, trusts, credit unions or some other companies. I say that the minister is a friend of the trusts, that he is not at all siding with the farmers but rather siding with the financial sharks.

The Beneficial Finance Corporation for the same $2,000 loan levies a 5 per cent interest. No reference is made to a $25,000 loan. What would be the rate of interest on such a loan? Is that conceivable? A $25,000 loan from the Beneficial Finance would yield 23.74 per cent interest. This is far from 5 per cent. It will destroy everything that remains of Canadian farming.

I am convinced that the members of the Ralliement Créditiste as well as all other members would be very grateful if the Minister of Agriculture would state the rate of interest which he has in mind rather than leave the matter to the governor in council. We would then be aware of the lending terms and the difficulties which our Canadian farmers will soon be experiencing if this legislation is passed. I simply say that it will be the downfall of agriculture if transactions are carried on with finance companies in order to increase loans up to 23.74 per cent, as we have seen.

Mr. Chairman, I believe there is an enormous scandal in our present day world and I wish to remind you that agriculture is the basis of our society. Before concluding, I would like to say briefly—as I do not want to labour the point—that in 1934, according to the official statistics of the League of Nations, 2,400,000 people died from starvation—this has nothing to do with the capacity of production—and 1,200,000 people committed suicide; on the other hand, 1 million carloads of wheat were burned—wheat, not Liberal members—and 267,000 carloads of coffee were burned. This can happen not because our farmers are not able to produce more, but because there are no agencies to sell the products to the consumer. The farmer always produces the same products.

In 1934, 516 million pounds of sugar, 50 million pounds of rice and 50 million pounds of meat were destroyed.

I am not making up those figures. The League of Nations disclosed them in 1934, just as we were getting over the depression.

Mr. Chairman, the Canadian farmer is grappling with such a problem that he never

knows whether he will be able to balance his budget or make ends meet tomorrow. In any event, he is not sure of being able to put in the crop. When he has managed to do that, he is not sure of getting a crop, because if he has a crop, he cannot be sure of having good weather. Nor is he sure—even supposing he should be very lucky—of being able to sell his products.

How then can we expect the farmer's son to be interested in taking over the family farm? A near impossibility is expected of him. For the guidance of the members, I should now like to read the following text:

> The prospect of being saddled throughout his life with a debt running from $60,000 to $100,000 is not likely to encourage young people to go into agriculture.

That was an excerpt from an article published in the magazine *Farm Credit Expansion in Canada* written by Mr. Ross and published in the *Canadian Farm Economics,* Volume I, No. 1, dated April 1966. I give this reference in order to interest the rural members in agricultural problems.

Mr. Chairman, I do not want to dwell any longer on this matter. In any event, I attempted to highlight the good points of the three resolutions which I sincerely believe will help our farmers. It is useless to study them in detail, since the members who spoke before me dealt with them.

However, I should like to underline the points we feel are important, the points we are happy to see on the order of the day. But let us not forget this: as long as we do not have some organization for the marketing of farm products, we will not solve the agricultural problem.

Before bringing my remarks to a close, I should like to make one specific request—the matter is urgent—and ask that the eastern farmer be taken care of. I should like to invite the Parliamentary Secretary to Minister of Agriculture (Mr. Côté) who is supposed to represent the eastern farmers, to act with a bit more speed. That would help, I think, because the eastern farmers have grown impatient.

• (9:40 p.m.)

[*English*]

Mr. McCutcheon: Mr. Chairman, I wish to begin my remarks by complimenting the minister upon his clear explanation of the bill before us. Also, I congratulate him upon his recent elevation. May I also say that I am in complete agreement with the principle involved in this resolution. No one can disagree with the renewing of a plan which, while it was operative, had such a beneficial effect on the farming economy. That the plan has been allowed to sink into limbo for the past few years is something else again.

I wonder if the government, and the Prime Minister in particular, has any idea of the hardship that has been caused by allowing the Farm Improvement Loans Act to wither and die because of an election. In my province alone the sale of farm equipment has declined to such an extent that many dealers have been forced into bankruptcy. One wholesale firm in a three month period reports 18 failures in its list of dealers. This is one result of the inconvenience caused to farmers who were unable to finance replacement equipment, needed especially because of adverse weather experienced during planting, cultivating and harvesting seasons.

I welcome the renewal of the Farm Improvement Loans Act, but I question some of its clauses. It seems to me that the cabinet of this country is taking on a job for itself that is completely unnecessary. I see no point whatever in having interest rates left to the cabinet to decide, in their wisdom. This prerogative is completely unnecessary. In my view it is further evidence that this government wishes to extend its tentacles into every phase of life of the Canadian people. There may be an exception as far as the bedrooms of the nation are concerned, but this unilateral setting of the interest rate is really none of the cabinet's business. Surely the government can negotiate with the financial institutions of this country and come up with a permanent rate. Let it be a fluctuating rate, if you like, but let it be established through a publicized formula.

Experience over the years has shown that the farm improvement loan has not been abused. The loss ratio in relation to the amount lent has been minimal and I suggest that a formula along the lines I have suggested could be worked out. For example, most financial firms and banks know what their overhead is. They know their costs of administration and we know the loss ratio. Why, therefore, can a formula not be worked out based on the prime lending rate of banks and other financial institutions, plus an agreed surcharge. I do not know what the surcharge might amount to; I am sure the banks would tell us. If one bank wanted 1 per cent and another needed only three quarters of one per cent we might even see a little competition entering the business.

I cast no reflection on this cabinet in what I am about to say, sir. There might come a time when what I am about to refer to may have an effect. While we have 264 members of parliament, our cabinet has 28 members. I submit that it would be much easier for a powerful financial lobby to influence a weak 28-man cabinet than to influence the entire house.

An hon. Member: But it is not weak.

Mr. Hees: Look again.

Mr. McCutcheon: We have had weak cabinets in Canada before, and very possibly we shall have them again.

Mr. Hees: I'll bet on this one.

Mr. McCutcheon: Why should a matter as important and delicate as this be left to a group that could be vulnerable to extreme lobby pressure? By this one, unnecessary unilateral act the cabinet are leaving themselves open to charges that they have set the rate too high. When this happens, and happen it will, there will be those in this country who will suggest even that someone is getting a kickback. If, on the other hand, the rate is too low, what will happen? We shall see taking place what took place this year and last year. There just will not be any farm improvement loan money available.

I deplore the wording in the resolution because it is all so unnecessary. I suspect that in this resolution we are seeing more of the ideas of those who want the cabinet to be supreme, and the house filled with little rubberstamps.

I am also in agreement with item No. 6 on the order paper, the resolution preceding the bill to amend the Farm Credit Act. I agree particularly with the concept of broadening the classes of persons eligible. Yet, here again, we are running smack into another intrusion by the governor in council, the cabinet, which also in this instance wishes to set interest rates. Probably there is more justification here for the cabinet to set interest rates than there is in the case of farm improvement loans. Under the Farm Credit Act government money goes out; under the Farm Improvement Loans Act, bank money is lent under a minimal government guarantee. I say there is no need to change the interest rate under which moneys will be lent under the Farm Credit Act. The present high interest rates will not always stay in effect.

[Mr. McCutcheon.]

Some in this youthful cabinet are old enough to remember that we did not always have these high interest rates. Less than 30 years ago people with money to invest were happy to buy government bonds yielding 3 per cent. Who is to say that with farm credit loans running for upwards of 30 years interest rates will not come down drastically long before those loans are paid off. Over the past 100 years the money market has shown a remarkable history of ups and downs. Some economists go so far as to predict when these cycles will take place. For my purpose this evening it is sufficient to mention what has happened in the past 50 years.

From 1919 to 1929 long term Canadian dollar bonds gave an annual average yield of 5.07 per cent. From 1929 to 1939 the average yield was 3.88 per cent. From 1939 to 1949 the average yield was 2.93 per cent, and from 1949 to 1959 that average yield was 3.67 per cent. What the average for this decade will be is anyone's guess. Most decidely the average yield will be up. Certainly the rate will be as high as or higher than any we have seen in this century. Nevertheless, Mr. Chairman, these trends were evident a century ago, and before that. There is nothing new about them.

I therefore urge the government to keep at 5 per cent the lending rate on moneys lent under the Farm Credit Act. If necessary, the government ought to put government money into the corporation administering the act. If it does that it will have a credit mark opposite its record, a mark which will show that the government, in one instance, tried to keep our agricultural industry alive.

• (9:50 p.m.)

I say again that these high interest rates will not last forever, and the burden on the treasury would be small in relation to the long term good which could be accomplished. Probably before many years have passed, before many of these liabilities are paid off, interest rates will once again be down. The inflationary effect of subsidized interest rates which the minister mentioned will not, in practice, have much of an impact. In my view the cabinet would do well to spend more of its time maintaining a climate in which our farmers could sell their products at a reasonable price. I suggest it would be far more profitable for them to spend their time on this, rather than sit around setting interest rates.

Mr. Peters: There are really three types of credit in which the farmers are interested.

They include the credit given by the Farm Credit Corporation, a long term type of credit backed by the total assets of the borrower, including the land. In most cases the land and the commodities backing the mortgage are sufficient to cover the credit granted.

The forerunner of the farm credit bill was the Veterans Land Act, which taught us how to administer credit at the lowest possible cost, with a minimum of loss and the correct amount of supervision. There are two other types of credit in which the farmer is interested. One is the type covered by the farm improvement legislation. A farmer borrows on a relatively short term basis against a mortgage, expecting to repay the money within a reasonable period without tying up his land or committing the total value of his operation for very long.

A third form of credit in which farmers are interested is not covered by any of these bills, though it is one upon which farmers depend, using it to carry on their operations until the crop comes in. They borrow this money from finance companies, banks, instrument companies, machinery companies, fertilizer companies, seed companies and other agencies, including the local co-operative, on a short term basis. This type of credit has always been difficult for farmers to obtain, and they pay for it at the going market rate which is usually very high.

It seems to me that the third credit provision in the minister's group is a stupid one. The hon. gentleman himself was critical when the former minister introduced this legislation providing credit for syndicates purchasing farm machinery. In practice this legislation benefitted only rich people. The former minister, now in the other place, had some very rich friends. I note that only 346 people have taken advantage of this legislation, and I am somewhat surprised that the minister has not dropped these particular provisions. The former minister, now a Senator, knew nothing about the needs of the average farmer but he did have some rich friends who could benefit from this legislation. I believe the average amount lent under these arrangements was $75,000.

I think the minister should take a look at what is happening. These people never have any difficulty about buying more land or getting credit for farm improvements on a long term basis, they never find it impossible to get short term credit for their day to day operations, and for these reasons I suggest they need little consideration from the government when it comes to the formation of syndicates.

It is possible that some poor people did take advantage of this measure. But two or three farmers do not get together to buy a combine, or, if they do, they will not be speaking to each other when the cutting season comes. It is not for operations of this kind that the legislation was designed. The hon. gentleman may find some exceptions, but I think he will discover that for the most part these arrangements cater to the Cadillac trade, which should not be the responsibility of parliament.

I have said on many occasions that farm credit at an interest rate in excess of 5 per cent on a 25-year basis is more than a farmer can afford. I would rather see a farmer go broke without credit than get the credit and go broke. At least he would have something to salvage. Some of the provinces have made this kind of loan tough to get. A quarter section has to be reserved for a familly as a homestead, and cannot be seized in payment of debt. This is the situation in Saskatchewan. Why? Because literally thousands of people lost everything they had got together throughout the years, including, finally, the homestead they lived on. This happened to so many farmers that the people elected a government which decided to protect at least the homestead against seizure.

My own family lived on a farm which had been mortgaged for $14,000. My father scraped together $5,000 or a little less in order to buy it. The people who had owned it previously were good farmers; they had also been engaged in the logging industry. They borrowed money and expanded. Then, through no fault of their own, circumstances arose in which they could not meet their obligations and they found themselves without the farm.

We are speaking of three different kinds of farm credit when we discuss these bills and, as I say, there is probably a form of credit which is not covered by any of them, one to which I hope the minister will soon give consideration. I am referring to the short term credit necessary to carry on day to day operations. In my area this has been extremely difficult to raise from any of the lending sources.

May I call it ten o'clock?

Progress reported.

Proceedings on Adjournment Motion

● (10:00 p.m.)

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, for the business tomorrow we will start with the bill to amend the Publication of Statutes Act. After that is finished we will go on to the resolution preceding the Windfall amendment for the Canadian National Railways, and thereafter we will return to the resolution stages of the three bills we were considering this evening.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

HARBOURS—ROBERTS BANK, B.C.—CONSTITUTIONAL JURISDICTION RESPECTING RAILWAY LINE

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, a week ago today I asked the Prime Minister (Mr. Trudeau) the following question, as recorded at page 326 of *Hansard*:

> In view of the situation of continuing conflict concerning British Columbia Hydro's rail route to Roberts Bank, and in view of the fact that the provincial government controls a sole and vital link between two federal facilities, the port and the national railway system, what action does the federal government intend to take in regard to the problem of constitutional jurisdiction that is involved?

It would be almost possible, Mr. Speaker, to overestimate the amount of concern that this matter is causing among citizens of the lower mainland of B.C. As a matter of fact, my colleagues in this party have been trying unsuccessfully to get an answer to this question ever since we came down here. My colleague from Vancouver East was the latest to try this afternoon to get some ministerial statement on the matter.

The British Columbia cabinet has authorized the B.C. Hydro and Power Authority to build, or in part to rebuild 17 miles of track which would form part of an access rail line to Roberts Bank in the Matsqui area in order that initially shipments of coal from the Crowsnest area can be made to the new super port.

The reason that public opinion in the lower mainland area is so upset is that the provincial government has completely ignored the recommendations of the Lower Mainland Regional Planning Board which, along with its 28 member municipalities, was given by this same provincial government the responsibility of land use planning and zoning for the whole lower mainland area.

The planning board strongly recommended an alternative rail route to provide service to Roberts Bank via the existing Fraser river industrial and railway corridor. The board warns that the B.C. Hydro route jeopardizes the future of the people of the lower mainland, of half the population of British Columbia. It advises that this new rail traffic would create additional major hazards of accident, air and soil pollution, would cause further noise intrusion, and would damage the appearance of the countryside completely unnecessarily. Land values in the immediate vicinity of the railway would go down and municipal tax revenues decrease as a result.

Most serious of all, the B.C. Hydro route would spell the destruction of the Boundary Bay area with its unparalleled recreation potential and its natural beauty on a magnificent scale. With this would go the destruction of one of the few remaining wildlife sanctuaries that exist in southern B.C.

No wonder that the hon. member for Fraser Valley West (Mr. Rose), who represents a part of this whole area, declares that the proposed location of the railway defies every tenet of enlightened land use planning and reduces the Lower Mainland Regional Planning Board to complete irrelevance. I believe that all members in this house from British Columbia share this view.

From the standpoint of the federal interest much is involved. A super port is to be built at Roberts Bank and the control of the port is clearly within federal jurisdiction. Equally clear is the need for the federal authority to have undisputed access to the port.

The provincially controlled B.C. Hydro railway line to Roberts Bank would be connected with the interprovincial rail lines of Canada, which again are clearly under federal jurisdiction. Surely this situation presents a constitutional problem for the federal government, one that calls for immediate consultation with the provincial authorities, and one that certainly cannot be dodged, at least any longer.

The fact that two federal cabinet ministers seem to have differing opinions about the degree of federal jurisdiction in this matter—they have made no secret of their differences, at least judging from speeches they have made in B.C.—merely points up the need for a speedy and decisive solution. They both

cannot be right. This matter is either under B.C. provincial jurisdiction, or federal jurisdiction.

Quite apart from the problem of federal access to the Roberts Bank port, but very relevant to the problem, is the federal government's interest in regional planning and the conservation and development of Canada's natural resources, both from the standpoint of productivity and of human environment.

In a matter of such great significance to our province and indeed to the whole of this country I submit that the federal government owes the members of this house, the people of British Columbia and all the people of Canada an explanation on this point. I believe we should have a statement concerning the government's intentions. I honestly believe that the federal government is no longer in a position to evade this matter, and leave it to the provincial government to hold the whip hand in respect of this Roberts Bank situation.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, we are grateful to the hon. member for Vancouver-Kingsway (Mrs. MacInnis) for having deferred this question until last Thursday, at the request of the government, to be answered by the Minister of Transport (Mr. Hellyer). Then, due to the untimely death of the premier of the province of Quebec and the adjournment of the house on Thursday, there was no opportunity for the hon. member to raise her point and for the Minister of Transport to reply. Regrettably both the Minister of Transport and the Minister without Portfolio (Mr. Richardson) had engagements which required their presence outside the house this evening.

The Minister of Transport has received many briefs from parties concerned with the rail route to Roberts Bank, in particular a detailed report from the Lower Mainland Regional Planning Board. He is presently studying all these briefs. The constitutional aspects of this question are still under review. It would appear from the evidence, on the basis of the representations received, that the constitutional aspect concerns the effect on regional planning and urban development by the rail route selected by the B.C. Hydro and Power Authority. For these reasons it would appear that the matter is one involving the jurisdiction of the provincial government in the area of regional planning, and neither the effectiveness nor the ineffectiveness of transportation to Roberts Bank.

TRANSPORT—POTASH—REQUEST FOR INQUIRY INTO FREIGHT RATE

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, last Tuesday I directed the following question to the Minister of Transport (Mr. Hellyer):

> In view of the serious consequences to railway services and employees in Saskatchewan from the proposed changes in transportation of potash by I.M.C. of Esterhazy, is it the intention of the minister to call for an inquiry into the freight rate structure for the transportation of potash to the United States and overseas markets?

I asked this question for a number of reasons. It also related to a question I had asked previously concerning what the government intends to do to avoid any serious repercussions which might arise when they start trucking potash. Their intention is to truck potash from Esterhazy to the United States border, where it will be loaded on to freight trains for delivery to Chicago and other United States markets.

If potash is moved by truck, naturally some of the railway employees in the area will be laid off and there will be serious repercussions in the whole region. The hon. member for Regina Lake Centre (Mr. Benjamin), the hon. member for Saskatoon-Biggar (Mr. Gleave) and I had a three day visit to the area where we spoke to many of the people involved in the potash industry, and other workers as well. The main complaint the people in the potash industry had concerned the high cost of transportation.

In directing this question to the minister I have in mind that if the rail rates for the shipment of potash were lower the company might be encouraged to ship more of the product on the railway system through Melville. I ask this question in the interests of the employees in the railway industry.

• (10:10 p.m.)

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, when the hon. member for Yorkton-Melville (Mr. Nystrom) previously raised this question in the house the Minister of Transport (Mr. Hellyer) relayed his concern to the management of the Canadian National Railways. Since this is a business venture on the part of the mining company and the transportation companies, it is natural that there should be negotiation between the parties so a compromise can be reached as to the cost of transportation services. These

negotiations are presently under way to establish a competitive transport rate for the potash. Considering however that it is bulk potash that is to be transported, it is difficult to perceive any transportation method other than rail being used. It is the hope of the Department of Transport that an agreement will be reached by the railways and the mining companies in the very near future.

UNITED NATIONS—BIAFRA—FAILURE TO BRING MATTER BEFORE GENERAL ASSEMBLY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, the question I asked this afternoon and did not quite succeed in fielding dealt with a matter of great importance. The people of Canada are asking what is being done about the Biafra situation, and they are asking particularly why the United Nations is not dealing with the matter in some way.

I note that the minister referred to the danger of divisive action if this matter were dealt with in general terms, and I noticed that the Secretary General used similar phraseology. I want again in passing to note that the United Nations does deal with a good many divisive items and it would be somewhat unrealistic to confine the attention of the United Nations only to those questions on which there was harmony.

Surely in a matter of burning concern and deep anxiety to our people, and to thoughtful, sensitive people throughout the world, we should not be fearful of lack of unanimous support for the suggestions we might make. It is my contention that the question should have been on the provisional agenda of the General Assembly long ago. If the government had thought it wise, it could have been directed to one of the non-political committees, and the second and third committees come into my mind immediately. At this juncture I would agree that the Security Council is not the avenue for discussion at this time.

The UN does not deal only with political questions. There is a wide range of interests and debate, as anybody who has been there knows. The field is literally the world, and the agenda is immense. This session the General Assembly has 90 items on the provisional agenda. Surely it is not a cardinal point in Canada's foreign policies that we must be universally loved and have unanimous support for our eternal endeavours. If any effort to have the UN general assembly deal with the humanitarian aspects of the Biafra situation, with the starvation and suffering of thousands of people, should put us in a minority position in the assembly—and this seems to be part of the government's thinking—then I say that on such an issue this would be an honoured position and a noble posture for this country to be in.

While the minister knows, I am not sure that the public know the procedure in respect of the General Assembly agenda. It is not as difficult as we have been led to believe. Rule 13 of the rules and procedures of the General Assembly lists the ways in which the provisional agenda is formed and what it shall include. Rule 13(e) says that the provisional agenda of the regular session shall include all items proposed by any member of the United Nations. Had this item been proposed any time during the summer, when the government had this matter very much in mind, as we were told, the UN could have been seized of it at any time, and thus this technical hurdle would have been overcome. Hopefully, had the whole situation been resolved by the O.A.U.,—and that would have been a lot to expect,—there would be no great difficulty in the United Nations dropping that item from the agenda.

Nor is it terribly difficult to recall situations where items are not in fact reached. In other words, the fact that the question may have been dealt with in another milieu was no excuse for the delegation of Canada not having this item placed upon the General Assembly agenda. Thus could the General Assembly mobilize world opinion to ameliorate the suffering of the Biafrans.

I note that the secretary general in his letter mentions insufficient financial support as a reason for the failure of voluntary organizations to bring about the amount of relief required to the population suffering in Biafra. Of course he is right. But the General Assembly, surely, would be the forum in which world interest could be stimulated and a measure of world relief and sacrifice, in financial terms, could be encouraged.

It is regrettable that among all the items in the 90-item agenda, this is not included. There are so many ways in which an item could have been constructed. I see here item No. 45: Multilateral food aid. Item No. 46 is: Increase in the production and use of edible protein. There are many, many items which are not political items and would not raise the spectre of these divisive repercussions which have been mentioned. But alas, that

has not been done. It should have been done. I do not think the government should raise the great curtain of impenetrable difficulty in having the UN seized of the matter.

It is regrettable that the opportunity was missed and I hope the minister and the government will make every effort to compensate for their failure to take action when action was easier than it may be now. We wish them well in whatever action they may feel it incumbent to take.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, perhaps it might be of some assistance to the house if I read the relevant section of the letter from the Secretary General of the United Nations in reply to mine in which I asked how best we could bring this matter before the United Nations. He said:

> I am most grateful to you for your letter which reflects the consistent interest shown by Canada in regard to the United Nations and to questions of a humanitarian nature. I wish to tell you also of my deep appreciation for your references to my statements regarding the distressing fratricidal strife in Nigeria, and I am greatly encouraged by your support of the position which I have taken concerning this situation. I agree with you that raising the situation in Nigeria in general terms before the United Nations General Assembly could be divisive, particularly in light of the resolutions adopted by the last two meetings of the Assembly of Heads of State and Government of the Organization of African Unity in Kinshasa and Algiers, respectively.

If the government felt that it would be possible to add one little bit to the amount of aid that would get through to the starving people in Nigeria-Biafra by raising this question in the United Nations, we would be glad to do so. We would do this if we felt that by raising the questions in the United Nations we could in any way contribute to the relief of the suffering that is going on in Nigeria-Biafra.

We found, however, on exploring the situation that the countries which shared our concern believed that all that would happen—and I had to agree with them—was that there would be a political debate about the future of Nigeria, and that this would lead not to an increase in the amount of aid but to a kind of divisive, political debate that would actually detract from the aid that might otherwise be going to these suffering people.

• (10:20 p.m.)

This was our view and, as you will see from the letter that I have read from the Secretary General, it was his view. I have no reason to question that judgment. However, I would add that it is my view and the view of the government that we should be working for the establishment of some kinds of procedures in the future when situations like this arise again, when there is an acknowledged method of dealing with these humanitarian concerns, by establishing rules that receive international agreement, and establishing agencies that are unquestioned when they want to supply aid to the innocent victims of a civil war such as this one. It seems to me that this is how we should be concentrating our efforts now. It is quite clear from what the Secretary General has said, and from our explorations, that to raise this question now would only raise the political issues which would detract from it, and would not aid the suffering people.

Motion agreed to and the house adjourned at 10.25 p.m.

APPENDIX

CORRESPONDENCE RESPECTING AID TO NIGERIA-BIAFRA

Ottawa, September 21, 1968

Dear Secretary-General,

I wanted you to know that the Government and people of Canada share with other nations throughout the world the distress and dismay which you have expressed over the terrible toll of destruction, starvation and loss of life resulting from the tragic fratricidal strife in Nigeria. As you so eloquently stated on September 13 to the meeting in Algiers of Heads of State of the Organization of African Unity, "In the name of humanity it is essential that everything be done to help relieve the impact of this tragic conflict".

In face of this concern the Canadian people and indeed public opinion in many other countries find it difficult to understand how the United Nations could fail to concern itself with the humanitarian task of preventing death by starvation for these suffering people.

The Canadian Government fully supports the efforts of the OAU to assist the Nigerian peoples in their search for a solution of their political problems. That organization in a resolution adopted at its recent conference in Algiers asked all member states of the UN and the OAU to abstain from any action susceptible of impairing the unity, territorial integrity and peace of Nigeria. You said you believed that the OAU should be the most appropriate instrument for the promotion of peace in Nigeria and that it has been agreed that all humanitarian aid to victims of the Nigerian conflict should be channelled through the International Committee of the Red Cross. The Canadian Government agrees with these statements.

I realize that to raise the situation in Nigeria in general terms before the General Assembly could be divisive. There may nonetheless be a role for the UN in stimulating effective action on the humanitarian problem of opening ways of delivering relief supplies to the needy. This could help meet the earnest desire of people everywhere not only to offer assistance but to see that the help being given reaches those who are in greatest need. I can not help but feel that in these circumstances every avenue must be explored.

I know that you and your representative in Nigeria have spared no efforts to urge the parties to facilitate the flow of aid to the civilian population. As a contribution to the efforts being made by the international community, Canada has made over one million dollars available to the International Red Cross for relief supplies for Nigeria. Canada has also responded to the invitation of the Federal Military Government to send an observer, along with those of other nations, the OAU and your own representative to observe the conduct of the Federal Military Government's troops. The Algiers resolution of the OAU appealed once more to all the interested parties to cooperate with a view to assuring the rapid despatch of humanitarian aid to all those who need it. We would like to see effect given to this appeal by the most effective means available.

In the light of these considerations, the Government of Canada would be grateful for your views as to any additional ways in which the good offices of the UN might be brought to bear at this time in relieving the suffering of the people of Nigeria. We for our part are studying possible measures which might be taken by the international community to assist not only in alleviating the effects of the fighting but also in the vital work of reconstruction in devastated areas.

Yours sincerely,

Mitchell Sharp

U Thant,
Secretary-General of the United Nations,
New York

Press release

DEPARTMENT OF EXTERNAL AFFAIRS

For immediate release

30 September 1968

NIGERIA

The Honourable Mitchell Sharp, Secretary of State for External Affairs, received on

September 27 the following message from His Excellency U Thant, Secretary General of the United Nations;

Sir,

The Permanent Representative of Canada to the United Nations has forwarded to me your message of September 21, concerning the situation in Nigeria.

I am most grateful to you for your letter which reflects the consistent interest shown by Canada in regard to the United Nations and to questions of a humanitarian nature. I wish to tell you also of my deep appreciation for your references to my statements regarding the distressing fratricidal strife in Nigeria, and I am greatly encouraged by your support of the position which I have taken concerning this situation. I agree with you that raising the situation in Nigeria in general terms before the United Nations General Assembly could be divisive, particularly in light of the resolutions adopted by the last two meetings of the Assembly of Heads of State and Government of the Organization of African Unity in Kinshasa and Algiers, respectively.

The question of humanitarian aid to the victims of the Nigerian civil war has been and continues to be a matter of deep concern to the entire United Nations family. Considerable efforts have been made to obtain medical, food and other supplies and transport them to staging areas in Nigeria and to other sites in the neighbourhood, such as Fernando Poo and Sao Tome. The United Nations Childrens Fund in particular, in close cooperation with the International Committee of the Red Cross and other organizations, has been fully involved for some time now in providing urgently needed assistance. The fund has allocated $700,000 for this work and the Executive Director is submitting to his board, for their approval, a further allocation of $1,-500,000, a part of which he has already found it necessary to commit in advance in light of the urgent needs.

With these resources, which have come largely from private contributions, UNICEF has been and is continuing to provide medical supplies, foodstuffs and vehicles, and is also sending supplies contributed in kind by governments and industry to a further value of approximately $9,000,000. It is also covering the costs of some specialized personnel working with other agencies in the field. The fund has also made a contract for a small helicopter airlift for local delivery in territories around Calabar which have passed again under federal control.

The International Red Cross, which is coordinating the humanitarian assistance to Nigeria, has chartered a number of planes which have been transporting supplies into the war affected areas. Important church relief organizations have also chartered and are operating planes for this purpose. However, for military reasons adduced by one side of the conflict or the other, it has not been possible to establish a sufficiently effective air-bridge to meet the needs of the afflicted civilian population. The main immediate problem, in the view of experts in the field, is to find adequate means for transporting into the war affected areas the supplies which have accumulated at various staging points.

Involved is an extremely difficult logistical problem which includes not only finding such means for transportation by air, land and sea as may be required, but also of enlisting the cooperation of commanders in the field who naturally have a tendency to give first priority to military commitments.

There is particular concern regarding the need to strengthen the airlifts. For various reasons, including the destruction of roads, airlift capacity is required throughout the region on both sides, and it is not considered that this need will disappear if the military situation changes.

The combined efforts of the International Red Cross supported by national Red Cross societies, voluntary organizations and the family of United Nations organizations have not been able to bring the amount of relief required to the civilian population. This is not only because of the restrictions just referred to, but also because of insufficient financial and logistical support.

For the reasons outlined above, I believe there are two main areas in which governments can be particularly helpful. First, it would be useful for governments to lend their support, by public pronouncements and by such action as they may deem appropriate, to the recent appeal of the Organization of African Unity on Nigeria to all interested parties to cooperate with a view to ensuring the rapid despatch of humanitarian aid to all those who are in need of it. In addition, I feel that governments could increase their logistical and financial support to the organizations

concerned with the relief effort. The details concerning such support could be discussed with the International Red Cross and with UNICEF. I know that both institutions would welcome the opportunity of discussing concrete ways in which governments might assist in the task of alleviating the plight of so many innocent victims of the armed struggle in Nigeria.

Accept, Sir, the assurances of my highest consideration.

U Thant

HOUSE OF COMMONS

Tuesday, October 1, 1968

The house met at 2.30 p.m.

INDIAN AFFAIRS

REQUEST FOR RECONSIDERATION OF DEPARTMENTAL REORGANIZATION

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister. In view of the anxiety being expressed throughout the country by Indian organizations and other spokesmen for the Indian people, including the Minister without Portfolio (Mr. Andras), about the failure of the government to consult the Indian people before proceeding with the reorganization of the department of Indian affairs will he undertake to reconsider these proposals in consultation with representatives of the Indian community in Canada?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, as this house knows there has been constant and intense communication with the Indian population since this government took office on all aspects concerning the Indian population. The reorganization of the department is something which had been initiated quite a while ago. It is just a matter of internal structure, and the obvious design is to make the services of the government to the Indian and Eskimo population more efficient. It is really a consequence of Indian Affairs being no longer just a branch but being a whole department; because it was a matter of internal reorganization we did not feel it was necessary to advise the Indians in advance of the day that it was going to take place.

Mr. Stanfield: As a supplementary question, will the Prime Minister state whether, before proceeding with this reorganization, the government did or did not consult with the national and regional Indian advisory councils, which I understand were established by the government for precisely this purpose of consultation.

Mr. Trudeau: I believe, Mr. Speaker, that both Mr. Chrétien and Mr. Andras have been discussing this general idea amongst themselves and with the people concerned, but they will have to answer for themselves when they are in the house. I have no specific information on that.

Mr. Stanfield: As a further supplementary question, Mr. Speaker, is the Prime Minister inclined to meet with representatives of the Indian Brotherhood of Canada, which organization has strongly protested this reorganization and demanded a meeting with the Prime Minister to discuss the matter?

Mr. Trudeau: Mr. Speaker, I have not considered that yet. I have not received this invitation. I do not know of it, but I am inclined to believe that the minister and the Minister without Portfolio (Mr. Andras) are very expert and able at this, and that whatever they have decided is a good decision.

Mr. David Orlikow (Winnipeg North): As a supplementary question, Mr. Speaker, in view of the fact that representatives of the Indian people have made it clear that they consider this reorganization more than an internal housekeeping affair, would the Prime Minister give consideration, first of all, to tabling the details of the reorganization and, second, referring the matter to the appropriate standing committee so that representatives of the Indian people could make public their observations and their criticisms of this plan?

Mr. Trudeau: Mr. Chrétien tells me he had intended announcing this to the house on Friday—

An hon. Member: You mean the minister.

Mr. Trudeau: —but in view of the number of statements on motions he has postponed it to Wednesday of this week, and I think I can say with authority that Mr. Chrétien plans to make a statement to the house tomorrow on this matter.

An hon. Member: You mean the minister.

Hon. W. G. Dinsdale (Brandon-Souris): As a supplementary question to the right hon. Prime Minister—

Mr. Knowles (Winnipeg North Centre): It is Mr. Trudeau now.

Mr. Dinsdale: —the Prime Minister indicated that consultation had been going on between the Minister without Portfolio (Mr.

Andras) and the advisory councils at the national and regional level. In view of that statement could the Prime Minister inform the house whether, as the Minister without Portfolio indicated, he, the Minister without Portfolio, had not been consulted until last Monday on this fundamental reorganization of the department?

Mr. Trudeau: I would have to obtain this from the minister himself because my information, Mr. Speaker, is that there has been ample discussion between the minister and the Minister without Portfolio on this matter.

Mr. Robert Simpson (Churchill): As a supplementary question, can the Prime Minister say whether a two volume report on Indian poverty areas prepared by ARDA has been suppressed, and whether he will undertake to make this important report public?

Mr. Speaker: The hon. member for Winnipeg North Centre.

Mr. Trudeau: Excuse me, Mr. Speaker, questions relating to ARDA come under the Minister of Forestry and Rural Development, and I will have to ask him to consider this.

Hon. Jean Marchand (Minister of Forestry and Rural Development): I will take the question as notice.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. In view of the statement made by the Minister without Portfolio, who has been assigned by the Prime Minister to Indian Affairs, to the effect that he had not been informed of the reorganization until last Monday; in view of his statement that he would have been happy to see it postponed but that he has asked for a full report on its depth and the rationale, and in view of the obvious confusion relating to responsibilities, will the Prime Minister undertake to make a statement to the house on motions which will delineate clearly to the house, to the country and to the Indian people the authority and responsibilities of these respective ministers with regard to Indian Affairs?

Mr. Trudeau: I can do this now. The Minister of Indian Affairs and Northern Development obviously is the minister responsible for everything coming under his department. He is being assisted in one special aspect of his duties by the Minister without Portfolio. The line of responsibility, however, is clearly through the minister with portfolio. I understand the problems of hon. members with regard to this matter, and I assure them that I share them.

Mr. Donald MacInnis (Cape Breton-East Richmond): Does the Prime Minister consider the remarks of the Minister without Portfolio to be a cabinet leak?

Mr. Speaker: Order, please.

EXTERNAL AFFAIRS

REQUEST FOR STATEMENT ON CONVERSATIONS WITH FRENCH PRIME MINISTER

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Prime Minister whether he intends to make a statement to the house concerning his conversations a day or two ago with the Prime Minister of France?

Right Hon. P.-E. Trudeau (Prime Minister): I understand it is not customary to make a statement after such conversations, and I had not planned to do so.

NATIONAL DEFENCE

PARTICIPATION IN DESIGN AND DEVELOPMENT OF NEW PLANE

On the orders of the day:

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to address this question to the Minister of National Defence. Will the minister confirm whether Canada has asked for an extension until October 15 before announcing whether the government intends to participate in the European consortium for the design and development of a new general purpose fighter bomber, and will the minister say whether a decision has yet been reached by the cabinet on this subject?

Hon. Leo Cadieux (Minister of National Defence): Yes, we have requested an extension to October 15. No decision has yet been reached.

Mr. MacLean: Can the minister say whether the decision on this matter is related to the review of defence and foreign policy, and will he confirm whether this review has been completed at the official level and is now before the government for consideration?

Mr. Cadieux (Terrebonne): There is a degree of relationship, but I think the decision can be taken even before the conclusion of the review of external affairs and defence. There is a certain relationship, but I do not

believe we will have to have the conclusions of the review before we make up our mind whether we should participate.

[*Translation*]

NATIONAL HEALTH AND WELFARE

STEPS TO OVERCOME SHORTAGE OF MEDICAL PERSONNEL

On the orders of the day:

Mr. Oza Tétrault (Villeneuve): Mr. Speaker, I wish to direct a question to the hon. Minister of National Health and Welfare.

In view of the acute shortage of medical staff and hospital beds in Canada, especially in the Gaspé peninsula and in Abitibi, can the hon. Minister of National Health and Welfare tell the house whether he intends to announce efficient measures in order to improve the situation?

[*English*]

Hon. John C. Munro (Minister of National Health and Welfare): I am not aware of a shortage in the particular area to which the hon. member referred. I shall look into it and report to the hon. member later.

PUBLIC SERVICE

LABOUR DEPARTMENT—STATUS OF WOMEN'S BUREAU

On the orders of the day:

Mr. Warren Allmand (Notre-Dame-de-Grâce): My question is for the Minister of Labour. Yesterday before the royal commission on the status of women complaints were made regarding the Department of Labour and the bureau for women within that department. I should like to ask the minister whether his department has any plans to strengthen the staff of that bureau and make it more effective for women.

Mr. Speaker: Order, I think both the question now asked by the hon. member and the question asked by the previous hon. member are rather general in scope. I fail to see the immediate urgency of the problem in the question asked by the hon. member. If there is urgency he can perhaps indicate his intention to debate it at the time of adjournment.

Mr. Allmand: Ten o'clock.

[*Later:*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I have a question for the Minister of Labour. I may say that it is in the same area as the one asked by the hon. member for Notre-Dame-de-Grâce, but Your Honour will appreciate it is a different question. Will the minister, at an early date, be announcing the appointment of a new director of the women's bureau of his department?

Hon. Bryce Mackasey (Minister of Labour): A new director was chosen a few days ago, Mr. Speaker, and allowing for the appeal period under the provisions of the Public Service Act I should be in a position to announce the new director on Monday or Tuesday of next week.

Mr. Allmand: I should like to ask the Minister of Labour whether a decision has been made to upgrade the position of the director in accordance with the brief submitted to the royal commission, and whether the director will receive more pay.

An hon. Member: Put the question in caucus tomorrow.

Right Hon. J. G. Diefenbaker (Prince Albert): Will the minister be prepared to table the correspondence with Mrs. Findlay, who occupied that position as chairman of this bureau, since the circumstances under which she resigned are set out therein? At the same time would the minister say whether the cause for which she resigned has been looked into with a view to ascertaining the true facts, and whether there will be an improvement in conditions for the new appointee?

Mr. Mackasey: Mr. Speaker, one of the recommendations Mrs. Findlay made was that we upgrade the position. I am pleased to announce to the house that we have upgraded the position so that the salary of the new director is beyond the recommendation of Mrs. Findlay.

Mr. Diefenbaker: Will the minister table the letter from Mrs. Findlay, so the house can judge whether she has been upgraded or downgraded?

OIL

REPORTED REDUCTION IN U.S. IMPORTS FROM CANADA

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question is urgent and of national importance, and I direct it to the Minister of Energy, Mines and Resources. Did the United States make a unilateral decision to cut back the quotas on imports of crude

petroleum from Alberta, Canada, to the United States of America, or was this a result of negotiation between Canadian trade groups and the United States.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the national oil policy is a matter of continuing negotiation and arrangements between ourselves and the United States. The present arrangements are discussed fully with our United States counterparts and I think have been very much in the interests of the Canadian oil producers over the years.

Mr. Woolliams: Perhaps the minister did not quite understand my question. We all realize that the national oil policy is subject to negotiation, but did Canada negotiate this export loss in crude petroleum to the United States or was this done on a unilateral basis by the United States?

Mr. Greene: Mr. Speaker, I think the Canadian market in the United States has been increasing every year. It has gone up from some 117,000 barrels five years ago to, I think, more than 300,000 barrels per day during the first three quarters of the current year. I believe it is very much in the interest of Canada that this policy has been so effective.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, in view of the report that appeared yesterday about the large cutback in receipts by the United States of Canadian oil, which indicates that the oil policy is not operating in the way it was intended to operate in 1961, will the minister make a statement on motions as early as possible outlining how it is operating?

Mr. Speaker: Order, please.

Mr. Woolliams: Mr. Speaker, I rise on a point of order. In view of the fact that the Minister of Energy, Mines and Resources did not answer the question I should like to give notice of my intention to debate this at ten o'clock.

HIGHWAY SAFETY

INABILITY TO OBTAIN APPROVAL OF SEAT BELTS

On the orders of the day:

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Minister of Transport. In his absence and the absence of his parliamentary assistant perhaps it may be taken as notice. My question deals with automotive safety. Will the minister check with that part of his department which deals with the establishment of automotive safety standards to determine whether complaints have been made to the department by car importers who claim they cannot sell seat belts because—

Mr. Speaker: Order, please.

Mr. Mather: —they cannot get them approved by the department?

HOUSING

REQUEST FOR CONSIDERATION OF BRIEFS BY TASK FORCE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to address a question to the right hon. Prime Minister. Will he use his good offices in an attempt to persuade the Minister of Transport to give an adequate and proper hearing to important briefs prepared by highly responsible and knowledgeable organizations such as the Toronto real estate board, which has attempted to present a brief to the task force on housing without apparent success?

FINANCE

COMPENSATION TO VENDING MACHINE OPERATORS FOLLOWING COINAGE CHANGE

On the orders of the day:

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, in the absence of the Minister of Finance I should like to direct my question to the acting minister. In view of the increased circulation of the new Canadian coinage, which is not of such a nature as to work in vending machines, will the minister inform the house whether the owners of vending machines will be compensated for the mechanisms they will have to replace?

Mr. Speaker: Order, please. My recollection is that this question has been asked before. I must confess that I do not remember whether an answer was given at the time, but perhaps the hon. member might like to promote a discussion of the subject at the time of adjournment.

DRUGS

INQUIRY AS TO ACTION TO CONTROL INCREASED NARCOTICS TRAFFIC

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, in view of continuing reports about dangerous drugs such as LSD, STP and others falling

into the hands of teenagers and even children, I should like to ask the Minister of National Health and Welfare what steps his department is taking to tighten controls in respect of distribution of these extremely dangerous drugs.

Mr. Speaker: Order, please. I suggest that the question the hon. member is asking is of a very general nature. Perhaps the minister would consider making a general statement on motions.

Mr. Monteith: A supplementary question, Mr. Speaker. Would the minister do this?

Mr. Munro: I would be pleased to consider that, Mr. Speaker.

HOUSE OF COMMONS

NANAIMO-COWICHAN-THE ISLANDS—INQUIRY AS TO BY-ELECTION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, in order to complete the complement of members of the house, has the Prime Minister yet come to a conclusion as to a by-election for Nanaimo-Cowichan-The Islands, so that all constituencies in Canada will have representation in this house?

Some hon. Members: Hear, hear.

Right Hon. P.-E. Trudeau (Prime Minister): There is no conclusion yet, Mr. Speaker, but one will be forthcoming.

Mr. Diefenbaker: This year, next year?

CANADIAN YOUTH PARLIAMENT

REQUEST FOR RECONVENING OF AD HOC COMMITTEE

On the orders of the day:

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I should like to address this question to the Prime Minister. In view of the fact that in June of 1966, a parliamentary committee adopted the idea of a Canadian youth parliament, and in view of the fact that three former prime ministers and all provincial governments also endorsed the idea, would the Prime Minister consider reconvening the ad hoc committee on the establishment of a youth parliament, to bring this project to reality?

Right Hon. P.-E. Trudeau (Prime Minister): I will discuss this matter with the house leader, Mr. Speaker.

DIVORCE

AMENDMENT OF PROVINCIAL RULES OF PROCEDURE

On the orders of the day:

Mr. Stan Schumacher (Palliser): Mr. Speaker, my question is to the Minister of Justice. Can the minister say whether the attorneys general of the provinces will be contacted with a view to amending the rules made pursuant to the new Divorce Act so the object of the act can be attained in cases of desertion?

Hon. John. N. Turner (Minister of Justice): Mr. Speaker, I gather the reason prompting the hon. member's question relates to the recent ruling by Mr. Justice Stewart on an order for substituted service. We are not yet sure whether that case will be appealed, so I will not go to the substance of it.

There is latitude under section 19 of the Divorce Act for the superior courts across the country to amend the rules of procedure within that act, and there is also scope for the governor in council to do the same thing. I said on another occasion that if over the next few months the provisions of the Divorce Act prove to be unworkable in certain respects, we will consider making in this house whatever amendments are necessary.

AGRICULTURE

CONTINUATION OF PREMIUMS ON HOG CARCASSES

On the orders of the day:

Mr. A. D. Hales (Wellington): Mr. Speaker, my question is to the Minister of Agriculture. Is it the intention of the minister to discontinue the premiums now paid on high quality hog carcasses when the new regulations in respect of grading are introduced?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, it is not the intention to discontinue the premiums being paid on hog carcasses, but obviously when the new regulations come into effect on January 1 next some adjustments will have to be made to the programming because the grades in respect of which premiums are now being paid will no longer be in effect.

Mr. Hales: A supplementary question, Mr. Speaker. When the minister refers to "some adjustments" does he mean that premiums will not be paid?

Mr. Olson: No, Mr. Speaker, the minister does not mean that.

Inquiries of the Ministry

EXTERNAL AFFAIRS

REPLY OF FRENCH GOVERNMENT RESPECTING ACTIVITIES OF REPORTED AGENT

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister. In view of the fact that on September 11 the Prime Minister charged that the government of France had acted in an underhanded and surreptitious way in the Rossillon affair, I ask him whether Canada has received a satisfactory explanation or assurances from the government of France regarding the activities of Mr. Rossillon while in Canada.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I should confess that I did not think of asking about the Rossillon affair yesterday when I talked with the prime minister of France.

Some hon. Members: Hear, hear.

Mr. Muir (Cape Breton-The Sydneys): You said it was important.

Mr. Stanfield: A supplementary question, Mr. Speaker. Are we to assume from this answer that in the view of the Prime Minister this matter does not today seem to have the importance that it had on September 11?

Mr. Speaker: Order, please. The question is argumentative and is not in order at this time.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a supplementary question for the Prime Minister.

[*Translation*]

Could he tell us if the Rossillon affair is as important today as it was a fortnight ago?

Mr. Trudeau: Mr. Speaker, when one deals with a problem and expresses one's point of view, I do not think that it is desirable to drag it with oneself all the time; I think that we must go on and deal with new issues, and that is what we did yesterday with the Prime Minister of France.

[*English*]

HOUSING

REPORTED STATEMENT BY UNITED CHURCH AS TO RESPONSIBILITY

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to address a question to the Prime Minister. In view of the statement over the week by the United Church of Canada that it "lays the full blame for the housing shortage on the shoulders of the federal government" does the Prime Minister intend to give this important church body the same kind of lecture he meted out to the Roman Catholic bishops—

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I think there should not be—

Mr. Speaker: Order, please.

Mr. Hees: —for daring to criticize government policy? Can we have an answer? We could not hear it.

Mr. Speaker: Order, please.

Mr. Hees: Mr. Speaker, I have a supplementary question. In view of the fact that the Hellyer commission on housing has refused to hear some 20 briefs which were to be presented because they appeared to be critical of government policy, can the Prime Minister say whether this is to be the pattern followed across the country as this travelling circus moves throughout Canada?

Mr. Speaker: Order, please. We will go on to another subject. Hon. members cannot ask supplementary questions to questions which were clearly out of order.

INCOME TAX

INQUIRY AS TO POSSIBLE EXEMPTION INCREASE

On the orders of the day:

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, perhaps my question should be more appropriately addressed to the Minister of Finance, but since he is absent I address it to the Prime Minister. In view of the 10,000 signature petition recently received by the Prime Minister's office from the Ontario association of retired women teachers emphasizing the distressed financial condition of many elderly Canadians, will the government consider raising the income tax exemption at an early date?

Mr. Speaker: With reference to the question now asked and a number of questions asked previously, I should like to remind hon. members that questions are for the purpose of seeking information and not for the purpose of giving information to the house. Many questions start with the words "in view of". I am sure hon. members know it is not

according to the form recognized by the house to ask a question based on a statement of fact. I suggest to hon. members that as much as possible direct questions should be posed. Perhaps the hon. member might like to rephrase the question.

Mr. Rose: Is it the government's intention at an early date to consider raising the income tax exemption for Canadians?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, at an early date we will be making a statement on the budget; at that time we can take it that the minister will have given consideration to all kinds of problems such as these mentioned by the hon. member.

TRADE

PROHIBITION ON SALE OF CANADIAN TURBOT IN U.S.

On the orders of the day:

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. Yesterday the hon. member for St. John's East directed a question to the Secretary of State for External Affairs relative to the sale of Greenland halibut. At that time the minister stated that a reply would be given today on motions by the Minister of Industry, Trade and Commerce. However, that reply was not given, so I should like to put the following question to the minister. In view of the fact—

Some hon. Members: Oh, oh.

Mr. Crouse: —that the United States food and drug administration will hear an appeal tomorrow against the banning of the sale of Greenland halibut in the United States after November 21, and in view—

Some hon. Members: Oh, oh.

Mr. Crouse: Mr. Speaker, I fail to see the humour in my question. May I point out, for the benefit of those hon. members who do not know it, that last year this industry was worth some $4 million to Newfoundland.

Mr. Speaker: Order, please. Will the hon. member kindly ask his question.

Mr. Crouse: Will or can the minister indicate what support his department is giving the fishing industry in this important matter?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, several members of the department will be attending the hearings in Washington on Wednesday as observers.

Mr. James McGrath (St. John's East): I have a supplementary question. Will the minister state whether the government of Canada will support the fishing industry in this appeal?

Mr. Davis: Mr. Speaker, I believe the Minister without Portfolio who has some responsibility in this area will be making a statement today.

[*Later:*]

Hon. Otto E. Lang (Minister without Portfolio): I should like to reply to a question asked by the hon. member for St. John's East, to which reference was made earlier. The government was asked for an explanation to be given in connection with the marketing of Greenland halibut. The government has asked that an extension of time be given in this matter. The government took this action because of a lack of consultation with the people concerned before the United States action was taken. The government will not be involved directly in a matter involving an agency of another government. Of course we have no opinion to express on the appropriate name to be chosen.

FORESTRY

NEW BRUNSWICK—REPORTED RECURRENCE OF BUD WORM INFESTATION

On the orders of the day:

Hon. Hugh John Flemming (Carleton-Charlotte): My question is for the Minister of Forestry and Rural Development. Has the minister received representations relative to the serious condition of the forests of New Brunswick and the alarming deterioration in quality which many knowledgeable persons consider has been caused by a recurrence of the bud worm infestation?

Mr. Speaker: I wonder whether the hon. member would not think this question should be placed on the order paper.

Mr. Flemming: May I with great respect, sir, suggest it is a very alarming situation.

WATER RESOURCES

INQUIRY AS TO DEVELOPMENT OF NATIONAL POLICY

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Minister of Energy,

Mines and Resources. In the light of the report of the Science Council of Canada, which was just released, has the minister accelerated his review of our water resources and pollution problems in order to develop a policy?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, there are many facets, of course, to water policy in so far as the federal government is concerned. There will be a meeting in Halifax next week at which many areas of this problem will be discussed with provincial ministers. Certainly the report of the science council is one item which will be given consideration in formulating any new policy.

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. J. Edward Broadbent (Oshawa-Whitby): I have a question for the Prime Minister. I was going to preface it by a statement that, in view of the fact that the Vice President of the United States made a statement with regard to the question of bombing, and so on. However, since Mr. Speaker has pointed out that we should not do so I will be more direct and ask the Prime Minister if it is government policy that the United States should cease bombing North Viet Nam.

COMMUNICATIONS

REPORTED POSSIBLE CONTROL OF CANADIAN COMPANY BY FRENCH INTERESTS

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): I have a question for the Postmaster General in his role as minister designate of communications, and I have pruned it both of news and views. My question relates to telecommunication satellites, to which he made reference in the press the other day, and in particular has reference to French banking interests obtaining an interest in Canadian Marconi. Can the minister advise the house whether he has now investigated these reports, and whether he can acquaint the house with his findings with relation to this very important matter?

Mr. Speaker: Order. I believe the information should be given to the house, if it is going to be given, by way of a statement on motions.

[Mr. Aiken.]

POST OFFICE DEPARTMENT

RECONSIDERATION OF POLICY RESPECTING RURAL MAIL CONTRACTS

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): I should like to address a question to the Postmaster General or the minister in charge of communications. After sober second thoughts since yesterday, has the minister changed his decision about cancelling rural route deliveries on Saturdays, so the people who live on these routes may continue to receive this very important service?

Mr. Speaker: Order. The hon. member is submitting an argument in favour of a point of view. That is not a question.

Mr. Hees: The question may be argumentative, but I am just asking if those people who live on rural routes in Canada and who need this service may continue to have it. I know the minister wants to answer.

Hon. Eric W. Kierans (Postmaster General): I always have sober thoughts. My second thoughts are the same as the first. We will move to a five day week for very good economic reasons.

Mr. Mac T. McCutcheon (Lambton-Kent): I have a supplementary question for the Postmaster General, Mr. Speaker. If the five day week comes into effect will new contracts be issued to rural mail carriers, or will they just be paid five sixths of the payments under their present contracts?

Mr. Speaker: Order. My understanding is that the new policy will not come into force for some months. Under the circumstances I suggest the question should be put on the order paper.

Mr. McCutcheon: There is a lot of concern amongst these poor people throughout the country, Mr. Speaker. They would like to know what the future holds, and if the Postmaster General could give me an answer it would certainly be appreciated.

Mr. Kierans: Mr. Speaker, at the present time the contracts cover payment for six days work and six days use of gas and oil. When we move to the five day week I would think hon. members of the opposition would feel I was very loose with public funds if I were to continue to make payments on the basis of six days pay for five days work, and six days use of gas and oil rather than five. Obviously the contracts are going to be renegotiated.

Mr. Robert McCleave (Halifax-East Hants): My supplementary question is to the Postmaster General. Would he consider the capital cost of a man's investment in a car over a seven day period as compared to a five day period?

Mr. Kierans: Mr. Speaker—

Mr. Speaker: Order, please. I would think we are getting into debate. I realize that the matter is very important, but I suggest to hon. members that the importance of a matter is not decreased by putting the question on the order paper. If there is urgency I would think we should have the matter debated at the time of adjournment.

Mr. McCleave: Mr. Speaker, with respect, in view of the circumstances in which the answers have been given I think the Postmaster General's answer is incomplete. If he were to settle the matter now very briefly it could save us ten minutes at ten o'clock.

Mr. Kierans: Mr. Speaker, you will note that I spoke of direct, out of pocket expenses, the cost of gas, oil and so on. Obviously in the renegotiation of contracts one takes account of the fact that depreciation is an annual, non-cash cost. I think what bothers most members of this house, and certainly myself, is the basic fact that a great many contracts are given to people at levels which do not allow them to earn a satisfactory living. I think we are quite aware of this. The same situation obtained during the régime of the Conservative party. I think the difference between the present Prime Minister and the former prime minister is that the present Prime Minister has a Postmaster General who is going to investigate these matters.

Mr. McCleave: If that is the attitude we will debate the matter at ten o'clock.

GRAIN

STATEMENT ON RATIFICATION OF INTERNATIONAL AGREEMENT

On the orders of the day:

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I have two questions of which notice was taken and to which I should like to give a reply. The first question, asked by the Leader of the Opposition, had to do with the ratification of the international grains agreement. All but five countries signatory to this agreement have now ratified it or deposited declarations of provisional ratification. The five which have not done so are Greece, India, Lebanon, Spain and the Vatican City state.

[*Translation*]

RURAL DEVELOPMENT

NORTHWESTERN QUEBEC—ACCESS ROAD TO JAMES BAY

On the orders of the day:

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to direct a question to the Minister of Forestry and Rural Development.

With regard to northwestern Quebec, is the department thinking of helping with the construction of an access road to James bay?

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, the new department which has not been set up but which has none the less started to study the problem of regional development, is considering the problems facing every part of this country, including Abitibi.

[*English*]

AIR CANADA

INQUIRY AS TO APPOINTMENT OF PRESIDENT

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to direct a question to the Prime Minister. Is the right hon. gentleman in a position to tell the house how soon we may expect an appointment to the position of head of Air Canada?

An hon. Member: As soon as they find a Liberal.

Right Hon. P.-E. Trudeau (Prime Minister): We have a lot of those. I can only tell the house that this is the subject of very active consideration between some ministers and myself.

Mr. Muir (Cape Breton-The Sydneys): What about Judy?

Mr. Trudeau: We do have some candidates, but they do not include the one the hon. member mentions. I will have an announcement for the house soon.

Inquiries of the Ministry

[*Translation*]

PUBLIC SERVICE

STATEMENT ON PAYMENT OF BILINGUAL BONUS

On the orders of the day:

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, while I am on my feet I could give an answer to the question put a few days ago by the member for Lotbinière.

I may say that an additional payment of 7 per cent of the salary was established about two years ago for secretaries, stenographers and typists holding a position in a department where bilingualism is required and who make use of their knowledge to a large degree. The Public Service Commission has been endeavouring for some time to set up proficiency standards and means to appraise the competence one should possess, before considering an extension of the bonus principle to other classes of employees. We are expecting a report on that subject. It is easy to understand that the clerical classes are much more complex and varied than the stenographer classes.

Mr. Speaker, as for the part of the question dealing with the staff of the House of Commons, I must point out that those employees come under your authority.

[*English*]

FINANCE

REQUEST FOR STATEMENT ON FEDERAL REVENUES AND EXPENDITURES

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): A question for the Prime Minister, Mr. Speaker. In view of the indication that the expenditures in the current year will exceed the original estimates by some $400 million, and in view of the estimate of a respectable financial house that the revenue of the government might be some $250 million less than the estimates, will the Prime Minister indicate to the house whether the estimates of revenue for the current year will in fact be as projected, or above or below the projection?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I do not think the Leader of the Opposition will expect me to answer speculations of financial houses, reputable or not, about the budget, which will be discussed very soon in this house.

[Mr. Trudeau.]

Mr. Stanfield: Mr. Speaker, I was not asking my right hon. friend to answer a question asked by a respectable financial house, but to answer a question asked by myself.

FISHERIES

INQUIRY AS TO LOBSTER FISHING LICENCES

On the orders of the day:

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, I have a question for the Minister of Fisheries which is urgent inasmuch as fishermen must know immediately where they stand in this respect. My question is whether the minister is contemplating any changes in the method of lobster fishing licensing for the coming season and, if so, will the minister announce these changes?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, we do not contemplate any changes as of this moment, but future changes will be announced in due course.

Mr. Lloyd R. Crouse (South Shore): A supplementary question, Mr. Speaker. As a conservation measure, has the minister given any thought to amending the lobster fishing regulations so that fishermen would be required to immediately return to the ocean all female lobsters when caught, whether carrying seed or not; and has he received any representations along these lines from the Atlantic provinces fisheries ministers?

Mr. Davis: Some representations have been made, Mr. Speaker, and the matter is under study.

CONSUMER AFFAIRS

AUTOMOBILES—REPORTED OVERPRICING OF SAFETY DEVICES, SPARE PARTS, ETC.

On the orders of the day:

Mr. Ed Schreyer (Selkirk): Mr. Speaker, my question is directed to the minister of consumer affairs. In view of the mounting allegations that the auto industry is overpricing its safety devices, repair parts and its products generally, can the minister indicate whether the government intends to commission an investigation or hearing into these complaints?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): As I said previously, Mr. Speaker, I am considering whether there should be a standing committee on consumer affairs appointed by the house. I have also said that the whole question of costs is under review by the government, and particularly

by the Prime Minister who will be making a statement on the matter in due course.

Mr. James A. McGrath (St. John's East): A supplementary question, Mr. Speaker. Could the minister tell the house when he expects to appoint the members of the consumer council, the chairman of which was appointed as early as July 16?

Mr. Basford: Very shortly, Mr. Speaker.

PUBLICATION OF STATUTES ACT

AMENDMENTS RESPECTING FORM OF PRINTING

Hon. John N. Turner (Minister of Justice) moved the second reading of Bill No. S-2, to amend the Publication of Statutes Act.

He said: Mr. Speaker, to begin with I should like to review for the house the history of this bill in the previous session of parliament. It was first introduced in the other place in 1967 during the course of the last parliament. It had been given second reading in the other chamber, considered there by the standing committee on banking and commerce, given third reading and passed, whereupon it reached this house in the spring of this year.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, on a point of order, I wonder whether copies of the bill could be distributed to our desks before we proceed with it. I know we have copies upstairs but we do not have them here.

Mr. Turner (Ottawa-Carleton): I think it is being distributed now, Mr. Speaker; the bill is at the table.

I was saying that last spring, just before parliament dissolved, the bill was introduced into this chamber. It was given first reading but debate on second reading had not been concluded at the time the house was dissolved.

A week or so ago the bill was introduced once more in the other place; it was given second reading and sent to the standing committee on banking and commerce. Certain technical amendments were made to it in the other place and the bill was given third reading. The text that hon. members now have before them incorporates the amendments made to the original bill by the Senate. I might say that those amendments are accepted by the government and the bill is now before this house for second reading.

The purpose of the bill is to give the governor in council authority to publish the statutes in a certain form. At the present time, as members know, under the existing Publication of Statutes Act, the statutes must be published in separate volumes, in English and in French. The purpose of this bill is to enable the government to publish the statutes in another form, having the English and French texts in adjacent columns on the same page, thereby putting both versions of the statutes in the same volume. By courtesy of the house leaders of all parties, Mr. Speaker, bills have until today been submitted to this chamber in that form. Therefore Bill S-2 itself, which we are now discussing, appears in a form similar to that which would be provided for under the regulations by the governor in council should the house adopt this bill.

• (3:20 p.m.)

The Revised Statutes of Canada to be published in the course of the coming year will be printed in the form recommended by the commission on the revision of statutes and it is the intention that the revised statutes be in both languages, printed on the same page in parallel columns, thereby including both languages in the same volume. Since the revised statutes will be in this form the government feels it would be appropriate to publish the annual statutes in the same form.

For the information of all members the Clerk has at his table specimen copies of the revised statutes as they will appear when published, and hon. members who wish to see them could perhaps call at the table, or possibly the pages can distribute copies to those who are interested.

The reason for the introduction of this bill is that while section 133 of the British North America Act provides that the laws of Canada shall be published in both languages it does not provide that they should be published side by side. As a matter of fact, they have been published until now in separate volumes, one in English and the other in French. The intention now is to publish the two versions in the same volume. I believe this will prove to be a convenience in a number of ways. I believe the legal profession itself will derive benefit from the change.

I should like to recall to hon. members of this house learned in the law that the rules adopted by the courts in the interpretation of statutes provide that a statute in one language, if of doubtful interpretation, may be compared with the same statute in the other official language. In 1935, in the case of The King *v.* Dubois, the Supreme Court of Canada held that the two versions of a statute

must be read together and that the meaning in one case might be limited or extended by the corresponding words in the other version. In the province of Quebec the statutes are already printed in parallel columns, first in French and then in English. In 1937 the Quebec Superior Court in the case of Robitaille *v.* Beaupré upheld the proposition that where one version of a statute is susceptible to a meaning different from the other version, the version most consistent with the intention of the legislation should prevail.

I am suggesting it will be a great convenience to the bench, to members of the bar and to people generally to find both versions of a statute printed on the same page in the same volume, each casting light, meaning and interpretation one upon the other. I think I would be remiss if I failed to mention the feeling of the government and, I hope, of this house, that if we are to talk in terms of the equality of both official languages in Canada we should not limit ourselves to section 133 of the British North America Act. If we are to mean what we say, French speaking Canadians should be made to feel at home not only in Quebec but in other parts of the country, and have equal access to the law in their own language. The act of placing each version in parallel columns grants equality to the languages used. As the Prime Minister (Mr. Trudeau) said before the Senate committee last year when he was Minister of Justice, having two versions separate but equal, that is to say, in separate volumes, is not the same as having them equal and in the same volume. There should be equal access to each version in the same volume.

I was present during the last debate on this subject and listened with great interest to what was said by the hon. member for Crowfoot (Mr. Horner).

Mr. Horner: Do you want to hear it again?

Mr. Turner (Ottawa-Carleton): No, thank you. But the hon. member did express a point of view which deserves a hearing in this house and I do not contest his right to have made that speech one bit. Having heard that speech, as well as the speech made on that occasion by the former hon. member for Winnipeg South Centre, Mr. Churchill, I realize that some concern is felt about the additional cost of the new volumes and the size it is anticipated they may reach. When we reach the committee stage, if the house allows us to proceed, I believe I should be able to demonstrate that the cost will not be appreciably greater than the current cost of producing these volumes, that the price paid by purchasers will not be appreciably more, and that the size of the volumes will not be appreciably increased. In other words, we intend that the volumes should be of a convenient size to carry into a court. We do not contemplate a cumbersome type of binding or printing.

I do not intend to deal with the amendments made in the Senate unless this matter is brought up during the committee stage. I shall simply add a few remarks having to do with the publication of statutes generally and the possibility of accelerating the speed with which these statutes can be published and revised. I think this is related to the larger area of legal reform, of bringing the law up to date with technology and the introduction of a greater degree of computerization in connection with the publication of the statutes in permanent form. I would think that the availability of the statutes in the two languages would enhance this possibility. Since 1960 much has been said and written in this area and today studies on these lines rank as a highly specialized discipline called jurimetrics. I have had something to say about this outside the house but so far I have had no opportunity to mention it here.

I have only a few more things to say, Mr. Speaker, because I am sure the hon. member who is representing the minister of justice in the shadow cabinet, which is rather an illusory concept at best—

Mr. Woolliams: When they have a case won, good counsel do not talk too long.

Mr. Baldwin: Don't talk your client into gaol.

Mr. Turner (Ottawa-Carleton): If that is the understanding, I will sit down.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I am glad the minister sat down because I think there was an understanding—indeed, he knew there was an understanding—that we would try to get this bill through today. It is, after all, a procedural matter. I appreciate the minister's wish to explain the bill and the advantages attaching to it, but when he got into the political realm to try to wrap up a few votes I thought he lost his purpose. We on this side agree with what he proposes. Let us get on with the job and approve the bill without delay.

• (3:30 p.m.)

Some hon. Members: Hear, hear.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in view of the applause one gets when his speech is brief I shall also be brief.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): We think that this proposal is a sensible one and we are happy to support the bill that is now before the house. The only serious objection that anyone has made to me has been to express the fear that if we do this with the statutes we might start doing it with *Hansard* and other documents, and *Hansard* would become very thick if it had to contain a days' work in both languages in one volume.

However, I think that the Minister of Justice (Mr. Turner) has dealt with that point by making it clear that section 133 of the British North America Act does make a difference between debates in the House of Commons and acts which parliament passes. It is quite clear that the acts which parliament passes must be printed and published in both languages, and it seems to us it is a matter of common sense that both language versions should appear in the same document.

We have already had a bit of experience with this in that our bills introduced thus far this session have been printed this way. We have had a sort of companionate marriage of the two languages and it has worked. This idea might well be proceeded with, and we are happy to support this bill on second reading.

Motion agreed to and bill read the second time.

Mr. Speaker: Mr. Turner (Ottawa-Carleton, seconded by Mr. McIlraith, moves that the said bill—

Mr. Turner (Ottawa-Carleton): Mr. Speaker, perhaps there is some disposition in the house to go on with the other stages today.

Some hon. Members: Agreed.

Mr. Turner (Ottawa-Carleton) moved that the house go into committee to consider Bill No. S-2, to amend the Publication of Statutes Act.

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

On clause 1—*Distribution.*

Mr. Peters: Mr. Chairman, before clause 2 carries I would like to say one or two words. It seems to me there is nothing wrong with the bill and it is very hard to oppose this type of legislation. I had the opportunity of participating in the move to get rid of one section of the statutes that most members of parliament never saw. There used to be another section attached to the statutes that one could order privately each year if one wished. With the deletion of that section I suppose we now have a little more money for printing statutes, but I wonder whether this is not really looking ahead to something else.

The idea of printing both language versions side by side may be all right but it is something that does not apply to very many people. I am sure that those who wish to conduct their business in the French language probably do so in toto and those who wish to conduct their business in English do so in toto.

Except in the rarified field of appeals there does not seem to be much use for this step. In instances of appeals lawyers may discuss the interpretation of a particular phrase in both languages. They may even go further than that and look into the interpretation given by the legislature when passing the bill, but in the main both versions are not going to be used. It seems to me that this step is a sop, more than anything else, to an expression of opinion widely prevalent in Canada today to this effect: Let us do something that is not really going to do anything, but nobody is really opposed to it.

If this bill really means what is says, providing for universality of both official languages in our statutes, then it seems to me that the courts will have to give some consideration to this matter. When I go over to Hull in the province of Quebec to pay a parking ticket or a fine for going through a light, since the law there is different from what it is in Ontario the court proceedings are conducted entirely in French and I do not know what is going on. I have had this experience personally. I have stood in the prisoners' dock, or whatever it may be, but I have not required the statute covering the offence. In any case it was probably a provincial statute. Therefore the usefulness of this proposal to the individual is going to be limited.

This may apply only to courts but it raises the whole problem of bilingualism. If the statutes in future must be in both languages I will need a knowledge of both languages, and it is time the federal government gave consideration to moving forward with a national education program that would make it possible for the average person to read the statutes in both languages. This is not possible for the average person now; yet we do not

seem to be moving in that direction. I know the minister may say that this is not a federal matter at the present time, but if we do not make it a federal matter printing the statutes in both languages will not mean much.

I am sure many people will be able to understand the French and English versions simultaneously, but I am doubtful that many will be able to understand them well enough to arrive at a fine point of interpretation in making an argument. High school education in Ontario will not give a person that understanding of the other language, and so I suggest that we are in a way putting the horse behind the cart rather than in front of it.

If Canada is to become a bilingual nation, and if it is the intention of the government that it become so, then I hope this is only a beginning and that we will set about making it possible for this form of printing the statutes to be of some use to at least 75 per cent of Canadians who have no use for it now.

Clause agreed to.

On clause 2—*Printing of Statutes.*

[*Translation*]

Mr. Lachance: Mr. Chairman, I would like to make a few comments on this bill and say that I am quite pleased with its amendments.

I do not agree with the hon. member for Timiskaming (Mr. Peters) when he speaks of the cost which could be increased. I have been led to understand in any case that there could be a cost increase for those who wish to obtain the Revised Statutes of Canada. Personally, I must say that I have been practising law and that I am still doing so, and I believe that the members of the bar in Canada are generally pleased with this measure, because instead of having to purchase both editions, they will certainly benefit by having the bills included in a single volume.

There is no doubt that a single edition, even if it is more bulky, will normally cost less than two editions and when lawyers, at least in Quebec, have a bill or a legal problem to study, they will be able to read both versions, English and French, in the same volume. I know personally a number of lawyers throughout Canada who do exactly the same, whether they are English-speaking or French-speaking.

I believe this is an extraordinary initiative, Mr. Chairman, and that is the reason why I wanted to emphasize it.

[Mr. Peters.]

[*English*]

Mr. Gilbert: Mr. Chairman, I would like to say a few words about this bill. I recall all the fire and thunder in the house back in November, and I must say that this debate seems like an afternoon tea party. However, I am sure most members are very happy to have this bill brought before the house at this time.

• (3:40 p.m.)

The argument of the past, especially with regard to French, is that there has been difficulty in respect of the printing of statutes in separate volumes. This bill is a welcome reciprocation to the province of Quebec which has for years published its statutes in English and French side by side. This has given a feeling of equality not only to the English speaking people in the province of Quebec but also to the French speaking people. Other provinces in Canada should follow suit with regard to the step taken by the federal government. The question of bilingualism is a very important one. As time goes on lawyers who become accomplished in both languages will be able to understand the niceties of the differences in the definitions of words.

I was quite impressed with what the minister said this afternoon concerning the rulings of the Supreme Court with regard to the different versions when read together rather than separately. This is a good trend and one which should be developed. The government is to be commended for its initiative in this regard. I can recall the difficulties I had when studying French in high school and during the immersion course here. I look forward to my children being able to speak French with a facility equal to that with which they speak English. This is the feeling which should prevail among the youth of today. If this is to be one nation we must understand one another's language. We must be able to show patience and understanding while this development takes place. If there is a psychological separation and a language separation it follows that there is a political separation. This is the very thing I should not like to see happen.

This is an appropriate bill to be introduced at this time. When one thinks of some of the lesser arguments which have been put forward concerning the doubling of the size of the statutes, the fine print and the doubling of the cost it would appear that these arguments are negligible and nonsensical in relation to the larger problem with which we are

faced today. Therefore we in the New Democratic party welcome the introduction of this bill at this time. It will establish the tone and setting for all other bills which will be introduced in this house from today forward.

Mr. Peters: As a further argument in support of the passage of this legislation, I notice that chapter 252 of the Revised Statutes, which was referred to by the minister, is already printed in this form. We would not want not to make an honest woman of the government.

Mr. Turner (Ottawa-Carleton): I accept that comment in respect of my virtue and that of the government. This was put in exemplary form so that members would have it before them. It in no way anticipates the decision of this house.

Mr. Nowlan: Mr. Chairman, no one appears to be opposing this bill. I was interested to hear the remarks of my friends to the left, because I believe if we became involved in a debate on the pluses and minuses of this bill the whole thing might begin to get off the rails. However, I have a question in respect of clause 2. I cannot understand why, as was the case in respect of the old statutes, this legislation does not set out the form for these new statutes but rather leaves it to the governor in council and the cabinet. Certainly I believe this form is suitable to all members on this side of the house, but what assurance have we that in five, ten or 15 years hence the form may not be changed? Can the minister explain the reason the form is left up to the cabinet. In the old act it was specified and set out.

Mr. Turner (Ottawa-Carleton): That is a very good question indeed. As a matter of fact, it provided the substance of a debate in the other place. Members in the other place took the position that the governor in council should have more leeway than was originally contemplated. The reason is that the science and art of printing, electronic data processing and so on are so fluid and so revolutionary that if we were to set out all these specifications for the printing of the statute itself they would probably be outmoded within the next year or two. The form was set out in the original statute and made more flexible in an amendment, but now with the tremendous revolution in respect of data processing and computers we must have considerable flexibility. It will be done by order in council and the regulations will be published. We give our undertaking that the volumes will be published in the form already presented to the house.

[*Translation*]

Mr. Lachance: Mr. Chairman, with regard to clause 2, I am very happy with the changes made by this bill. I must say there is still a delegation of parliamentary authority to the governor in council.

I realize that the rapid evolution of modern technology may necessitate immediate changes, but I am a little sorry to see that parliament is now delegating its authority, when specific provisions were made concerning the way in which this was to be done.

Of course, it is provided that, in future, statutes will be printed in both English and French, on the same page, and bound in one volume. However, in the final analysis, everything is left to the discretion of the governor in council. I rather deplore this situation.

[*English*]

Mr. Hales: I am at a loss to understand why the minister wishes that the bill set out that the statutes should be printed by the Queen's Printer. We might find that the Queen's Printer was too busy or it might be decided to call for tenders in order to obtain a better price for the printing of these statutes.

Mr. Turner (Ottawa-Carleton): We did not contemplate that we would ever have to let out a contract for the printing of the statutes beyond the Queen's Printer. I do not see any reason for this. I believe the Queen's Printer is eminently capable and the most convenient resource for printing the statutes.

Mr. McKinley: When the new Revised Statutes are made up I presume they will be of some considerable thickness. It seems to me that if the volume is a large one with marginal notes on both sides one might have difficulty in reading the marginal notes on the right hand side. Can the minister assure us that the marginal notes on both sides will be readily accessible?

Mr. Turner (Ottawa-Carleton): It may be that these volumes will be slightly wider because of the marginal notes. In the example of the Revised Statutes which has been circulated you will notice that we are contemplating having the marginal notes in alphabetical order in each language. You will see that they do not appear in the same order in both languages but that there are cross-references. I can assure the hon.

member that the marginal notes will be easily readable.

Mr. Knowles (Winnipeg North Centre): Surely the minister does not mean that the marginal notes, on their own, are in alphabetical order but rather that the paragraphs, for example, the interpretation paragraphs of chapter 252, are rearranged so as to be in alphabetical order and the marginal notes therefore follow in that same order.
is being cut-back to 100,000 barrels per day.

Mr. Turner (Ottawa-Carleton): That is right.

• (3:50 p.m.)

The Chairman: Shall clause 2 carry?

Clause agreed to.

The Chairman: Shall the title carry?

Title agreed to.

The Chairman: Shall I report the bill?

Some hon. Members: Agreed.

Bill reported.

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

An hon. Member: By leave, now.

Mr. Turner (Ottawa-Carleton) moved the third reading of the bill.

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

CANADIAN NATIONAL RAILWAYS

AUTHORITY FOR CONSTRUCTION OF ALBERTA BRANCH LINE

Hon. James Richardson (for the Minister of Transport) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to authorize and provide for the construction of a line of railway in the province of Alberta by Canadian National Railway Company from the vicinity of Windfall on the Windfall extension to the Sangudo subdivision on the Canadian National Railway in a westerly direction for a distance of approximately 51 miles to the Bigstone property of Pan American Petroleum Corporation and of a connecting spur extending in a northerly direction for a distance of approximately 9 miles to the South Kaybob property of Hudson's Bay Oil and Gas Company Limited and its associates at a total expenditure of $10,435,000, not to be exceeded by more than 15 per cent.

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

Mr. Richardson: Mr. Chairman, this is a resolution preceding a bill to enable the Canadian National Railway Company to complete approximately 60 miles of new branch line trackage to serve the requirements of two new sulphur recovery plants, one of which has been completed and the other of which is being built. They are both in the Alberta gas fields west of Windfall.

This trackage will consist of a branch line about 51 miles in length extending westerly from a point on the existing Canadian National line near Windfall to the Bigstone property of Pan American Petroleum Corporation, and also a spur about 9 miles long extending northerly from that line to the South Kaybob property of a syndicate headed by the Hudson's Bay Oil and Gas Company Limited. These properties represent important new industrial developments and new sources of sulphur and liquid petroleum gas and can be looked to for a substantial contribution to the economic activity of the region where they are located as well as to Canada's export trade.

The plant a Bigstone is already in production and the one at South Kaybob is well advanced with completion scheduled for November, 1968. The need for the service which the new rail facilities will provide is therefore pressing.

The estimated cost of the railway trackage including a crossing of the Athabasca river is $10,435,000, averaging approximately $174,000 per mile. In accordance with the usual practice the resolution authorizes the expenditure of that sum and allows for an additional 15 per cent if required to cover contingencies. The usual borrowing powers are also included.

The management of the C.N.R. has informed me that by means of traffic guarantee contracts made with the two companies whose names I have mentioned, the C.N.R. is assured that the products of these plants will be shipped over the new lines and over other lines of the C.N.R. in such volumes that the revenue therefrom will support all the costs of the lines and the movement of the traffic including amortization of the contemplated new capital investment and will also make a satisfactory contribution to the overhead of these railways, or that failing the shipment of such quantities of traffic compensatory payments will be made to the C.N.R. instead.

The new trackage will also stimulate industrial activity and the development of other resources in the area, including similar mineral prospects and the extensive timber resources in the Whitecourt forest district

through which the new lines will pass. Indeed, I can now state that a second sulphur plant at South Kaybob is already under construction and planned for completion late next year. There is also a strong likelihood that another such plant will shortly be developed along the route traversed by the new trackage.

Needless to say, any such activity so stimulated will not only benefit the business community generally but will also improve the contribution made to Canadian National's net return from these lines. I am, accordingly, satisfied that the economics and other justifications for the project contemplated by this resolution are sound, and I recommend this measure to the house.

Mr. Baldwin: Mr. Chairman, this party joins in the hope that this measure will be rapidly approved. We think it will indeed add considerably to the economic potential and the further development of the north. I should like to point out to the minister, however, that he is getting dangerously close to the areas where igloos exist. Those of us who were in this house some years ago will remember that we contemplated at the time we formed the government the construction of railways and other forms of development in the north. We were met by the rather curt suggestion that we were building railways and developments from igloo to igloo.

This railway will be approximately 75 miles, as I understand it, from where the Pine Point railway starts. I am glad to note the measure of education that this government and hon. members on that side have been exposed to. I hope they will continue to be exposed to the educational opportunities available as a result of listening to members on this side. I should like to think this is the beginning of a regeneration. Some years ago when we attempted to get approval in this house for the construction of the Pine Point Railway we were met by obstruction and obstinacy from the then opposition.

I remember that for several years I carried newspaper clipping which indicated that the then leader of the opposition, now a former prime minister, Right Hon. L. B. Pearson, felt that the only man who believes the Pine Point railway was going to be built was the hon. member for Peace River. The hon. members who comprised the government at that time believed the north had great value to Canada. We were determined and insistent, and we achieved this construction which has added so greatly to the development of the area and the economic possibilities for Canada. I hope now that this is an indication that the government will listen to the suggestions and advice which so often come from this side of the house.

• (4:00 p.m.)

Mr. Peters: Mr. Chairman, as far as I know we support this resolution.

Some hon. Members: Oh, oh.

Mr. Peters: I have not consulted anyone else. We are very pleased that the government has taken this direct method of providing a railroad in an area where development is at the moment taking place. We have opposed the development of certain railways in other parts of Canada, particularly where they have been under private ownership and the building of the railway restricted developments other than those of the private enterprise.

The minister stated his hope that the Canadian National branch to be built in this area will haul not only the products for which the railway has negotiated with the entrepreneurs in the specific field but the products of other enterprises. I understood him to say that other enterprises in exactly the same field would be able to open up and develop by reason of the assistance provided by this railway.

Our objection in the past to privately owned railways—I am thinking particularly of the one that concerned Hollinger and another large mining company—was that they refused to haul a competitor's product. In this way, although they were a common carrier they dominated the area a few years ago and have therefore restricted for many years its growth and development.

I therefore wholeheartedly support the development by Canadian National in this field, because no one can doubt their ability as a common carrier. I agree with the minister that in providing the carrier for this resource they will be opening up a new area that may produce many other commodities and types of development because the railway is there. I believe, therefore, that the government has adopted a proper approach in authorizing through this resolution the building by Canadian National of this large extension of line. There will be considerable difficulty in crossing the Athabasca river, but the line will open up the whole of the vast area alongside and at the head of the railway.

Therefore, for a change, I wish Canadian National well in this venture. Coming from a northern area, I know that communications of a broad nature can be the greatest asset to a newly developing area and that progress will flow from the presence of a carrier willing to co-operate in the development of the area. In years to come I shall certainly insist that Canadian National does so.

Mr. Woolliams: Mr. Chairman, I am very happy to support this resolution. We need this kind of transportation in order to get our crude petroleum and by-products to the markets. This brings me to something that happened in the question period today which is pertinent to the matter under discussion. When I asked the Minister of Energy, Mines and Resources about the markets to which these products will be carried, he gave the most slippery answer that has been given in the house for some time. That answer was that the Conservative party supported and created the national oil policy.

Since the national oil policy came into being in 1961 there have been more exports of Canadian crude petroleum than ever before. We were able to fill the vacuum left after the Suez crisis. The former minister of trade and commerce asked a supplementary question. In fact, it was he who created the national oil policy which enabled us to reach the target, in domestic consumption and export markets, of about 800,000 barrels of crude petroleum a day. Alberta and western Canada were able to move this much crude petroleum. At the time the Conservatives were defeated we had reached that target.

I now wish to pay a compliment to the Liberals. For a number of years that target was maintained under the Liberal administration, but people who are familiar with the petroleum industry have told me—I cannot divulge their names because it would involve a breach of confidence—that there has been a cut-back of 25 per cent in our exports to the United States. When I put the question to the minister, he denied this fact.

An hon. Member: Order.

Mr. Woolliams: I am dealing with markets and what I am saying is relevant to the issue under discussion. Don't try to cloud the issue. The fact is that this is the situation. The answer given by the minister was a slippery one in order to hide the fact that he has lost petroleum markets. I have been interrupted by the Minister without Portfolio who comes from Saskatchewan. I say to him—and this is on all fours with the subject we are discussing—that we have lost a great part of our grain markets. Richardson and Sons of Winnipeg have said this is the saddest thing that has happened in years. That should hit the Minister without Portfolio right between the ribs.

Therefore we are wholeheartedly behind this resolution. It is a wonderful thing to get petroleum and its by-products from the wellhead to the market. But the government cannot be allowed to continually lose markets. Also, they cannot be allowed to give this kind of slippery answer to the house when the country knows what is happening.

[*Translation*]

Mr. Fortin: Mr. Chairman, just one word to say that we support the bill unreservedly and we are happy that a railway line about 60 miles long will be constructed in order to promote the transportation of oil. We are all aware that change seems to be the salient feature of our modern society and, therefore, we must continually adjust ourselves to the needs of our economy.

Mr. Chairman, oil is becoming increasingly important. It has become a means, an essential tool for our modern society and we must unite and do all we can to allow the Canadian people to profit by these changes. To react to changes by denying them, and by burying one's head in the sand would be stupid.

That is why we must support the bill and we like to congratulate the minister, for introducing it.

[*English*]

Mr. Rose: Mr. Chairman, in rising to support this resolution I should like to compliment the minister for his interest in the expansion of Canadian National Railways in order to service this area. I am very interested in the kind of development this will bring to the Canadian north. I think the government is to be complimented for taking this kind of interest in northern development.

I know that the federal government has taken an extreme interest in this facet of our development but I cannot help feeling a little jealous and perhaps a little critical of the preference afforded this area. The riding of Fraser Valley West from which I come is also in the throes of railway development. I speak of the railway development by the British Columbia Hydro and Power Authority which will in effect build a new line to carry unit cars of coal to the new, federally financed

port of Robert's Bank in southwestern British Columbia.

This new railway line will connect two federal facilities, the federally financed port of Robert's Bank and the C.P.R., which I believe comes under the jurisdiction of the Railway Act. The hon. member for Surrey, the hon. member for Vancouver-Kingsway and myself have been attempting for some time to get the Department of Transport and the Minister of Transport to take some responsibility in this matter. As you know, the government has now—

• (4:10 p.m.)

The Chairman: Order, please. I hesitate to interrupt the hon. member in view of the certain degree of latitude granted the hon. member for Calgary North, but he must try and restrict his remarks to the subject matter of the resolution.

Mr. Rose: Thank you, Mr. Chairman. I realize we are speaking about a new railroad, but in supporting the resolution before us I should like, with respect, to request that the Department of Transport consider the points I have put forward concerning my own riding.

Mr. Horner: Mr. Chairman, I should like to direct a question to the minister. Is it the intention of the government to refer this matter to the standing committee on transportation as has been the rule in the past?

Mr. Richardson: Mr. Chairman, I do not believe that that was thought to be desirable in this case. This legislation follows the pattern of all similar legislation for C.N.R. branch lines.

Mr. Horner: That is the very point I was speaking to. In the past it has been the practice for legislation concerning the extension or the building of a branch line to be referred to a standing committee so it could consider in fuller detail the financing and contract arrangements with regard to the tonnage to be hauled. In view of the remarks made by the government house leader concerning the greater use of standing committees I doubt that the government would wish to break an established pattern with regard to railway legislation and not refer this matter to the committee.

Mr. Macdonald (Rosedale): May I speak to this point, Mr. Chairman? If the hon. member or anyone in the official opposition wished this matter to be referred to the standing committee, certainly we would be prepared to do so. However, there is one point I might mention which I think the hon. member for Peace River might recognize, namely, that there is an element of urgency in the bill from the standpoint of getting the operations under way before snowfall. Nevertheless, I concede the justice of the remarks of the hon. member for Crowfoot in that it has been customary to refer such matters to the committee. When we reach the second reading stage of the bill we can certainly make the reference if it is specifically requested. Perhaps I can put it the other way round and say that unless there is a disposition to put the legislation through the house at an early stage we would make that reference.

Mr. Baldwin: Mr. Chairman, may I speak on that matter? When we get to second reading the house might be disposed to show a little longitude as well as latitude and we may be able at that time to ask some questions which may determine our position with regard to sending this bill to the committee. Perhaps members on this side may be satisfied after putting some questions on second reading. It may be that we may then decide there is no necessity to send the bill to the standing committee.

Mr. Macdonald (Rosedale): That would be quite agreeable, Mr. Chairman.

Mr. Alkenbrack: Mr. Chairman, I should like to make a brief point with regard to the resolution before us. First, I wish to congratulate the minister on his introduction of this measure. I presume it is the first one he has introduced in the house and therefore I congratulate him in that regard.

My point is one which I mentioned in the house two years ago regarding railway crossing safety signal devices. I realize from the description of this railway in the resolution that it is probably located in an area remote from that part of Canada which I represent in this house and perhaps there will be no motor roads crossing the railway. Even so, however, I think the validity of my point will be recognized by the government, namely, that it should be the responsibility of all railways, in this case the C.N.R., that all railway crossing safety signal devices be included in the capital cost of such projects. I point out to the minister and the government that municipalities should not be held responsible for any part of the cost of the installation of new railway crossing signal devices.

Canadian National Railways

In the past we have been too prone in this country to grant charters to railways without ensuring that the responsibility for the installation of railway crossing signals lies with the railway. That is why we have so few railway crossing signals in Canada today in proportion to the number of dangerous unprotected level or grade crossings.

May I therefore bring this point to the attention of the house for the second time in about two years. The last time I brought it before the house we were considering a railway in Labrador. This time I want to emphasize again that it should be the responsibility of the railways—and from now on this should be so in all new railway construction—to ensure that safety devices are built in and that their cost be provided for at the time of construction so that municipalities will not be required to ask the railway commissioners that this be done.

I have had experience in this regard in the municipality of Napanee which several years ago had to apply to the railway commissioners for railway crossing signal devices to be installed at a crossing in the town. I believe that at that time it cost the town over $3,000 for its share. No municipality in Canada should have to bear such expenses. They should always be borne by the railway. Last year I was a member of the northern affairs committee which visited the Northwest Territories and I noticed at least one crossing in Hay River which did not have safety signal devices installed.

I hope the government will give heed to the point I have made today and will ensure that this safety recommendation is implemented.

Resolution reported and concurred in.

Mr. Richardson (for Mr. Hellyer) thereupon moved for leave to introduce Bill No. C-109, respecting the construction of a line of railway in the province of Alberta by Canadian National Railway Company from the vicinity of Windfall on the Windfall extension to the Sangudo subdivision of the Canadian National Railway in a westerly direction for a distance of approximately 51 miles to the Bigstone property of Pan American Petroleum Corporation and of a connecting spur extending in a northerly direction for a distance of approximately nine miles to the South Kaybob property of Hudson's Bay Oil and Gas Company Limited and its associates.

Motion agreed to and bill read the first time.

[Mr. Alkenbrack.]

Mr. Macdonald (Rosedale): Mr. Speaker, in view of the remarks which have just been made and notwithstanding the provisions of the standing orders I wonder whether the house would be agreeable to going on with second reading of this bill at this time rather than putting it off until another day.

Mr. Deputy Speaker: Is there unanimous consent to this proposal?

Mr. Horner: No.

Mr. Deputy Speaker: There seems to be a lack of unanimity on the proposal. When shall the said bill be read a second time, at the next sitting of the house?

Some hon. Members: Agreed.

• (4:20 p.m.)

FARM CREDIT ACT

AMENDMENT RESPECTING ELIGIBLE CLASSES, AMOUNT OF CAPITAL, INTEREST RATES, ETC.

The house resumed, from Monday, September 30, consideration in committee of the following resolution—Mr. Olson—Mr. Faulkner in the chair:

That it is expedient to introduce a measure to amend the Farm Credit Act to broaden the classes of persons eligible for loans under the act; to increase the amount of the capital of the Farm Credit Corporation; to substitute for the present rates of interest on loans made under the act (except any such loans made pursuant to applications received by the corporation before September 13, 1968) such rate or rates of interest on any loans made after the coming into force of the said measure as may be prescribed by the governor in council; to provide further for certain changes in connection with the administration of the act and for other matters related or incidental thereto.

Mr. Peters: Mr. Chairman, when this resolution was last under discussion I was pointing out that there were really three forms of credit involved, only two of which are covered by the resolutions before us. The Farm Credit Corporation, of course, covers long term lending under a supervisory staff. The farmer puts a mortgage on his land and holdings as a guarantee for the loan.

The second type of credit available to the farmer is through the Farm Improvement Loans Act. This type of credit has been used principally, according to the reports made under that act, for the construction of buildings, the purchase of machinery and other basic improvements to the farm. This type of loan is generally secured, at least to some extent, by a chattel mortgage and is guaranteed by the government.

The third type of credit a farmer must use is similar to a business loan. This money is used to cover his operations, to purchase fertilizer, seed grain, gasoline for his tractor and other operating expenses, perhaps including food and the maintenance of his household. Such loans are granted on the basis of the credit rating the farmer has established with his entrepreneurs.

It is in this latter area, of course, that many farmers find the greatest difficulty and in which our legislation has not really been that all-embracing. However, it is in the first type of financing that I am most interested, that under the Farm Credit Corporation. This credit is the mainstay of the agricultural industry in Canada and it is in this area that the farmers' ability to make regular payments will be influenced by weather, crop conditions and so on.

In this field, Mr. Chairman, we learned a great deal from one particular man. I refer to the chairman under the Veterans Land Act, Mr. Rutherford, who passed away several years ago. Almost singlehanded, Mr. Rutherford looked at agricultural problems as they affected the war veterans who wished to go into agriculture. He was able to build the Veterans Land Act into an agency that covered the three types of financial requirements of the veterans going into agriculture. Most of these veterans were willing to accept supervision from the officials of that department who were highly qualified and always very sympathetic. Over the many years the Veterans Land Act was in operation, because of the co-operation of the department the losses amounted to less than 1 per cent. I feel that everyone would say, therefore, that it was a highly successful operation in the agricultural field and one which the Farm Credit Corporation tried to copy but without too much success.

First, in my opinion, the corporation failed to provide the type of supervisory staff necessary in this long term lending field. I know the chairman of the Farm Credit Corporation, and I know him to be a sincere, energetic civil servant working on behalf of the farmers of this country. However, the corporation has failed to convince the government that one of the ways a farmer has to be subsidized is in the obtaining of long range credit. The annual report of the Farm Credit Corporation for the year ended March 31, 1968 indicated that it had made loans to the tune of $263,-236,500 and had lost $40,239. The total loss of the Farm Credit Corporation, including the operating loss, amounted to something like $3 million. I believe the minister will agree, because he has been on this side of the house and has certainly thought about the problem, that a $3 million loss covering the operating expenses is a very small price to pay for the support and expansion of agriculture in Canada. We are certainly subsidizing many other organizations that would not produce anywhere near the funds the Farm Credit Corporation has produced.

It is true that loans have been difficult to obtain. The report indicates that this year we are paying something over 6 per cent for money. I think the minister will agree, as a previous speaker pointed out, that the cost of borrowing money has fluctuated over the last 25 or 30 years from 3 per cent to 6 per cent. I am sure that if the minister reviews the 25-year period he will find great fluctuations in the prices farmers have received for their products. In general, however, those prices have not increased to an extent that would permit the farmer to pay double the interest rate he was paying. It seems to me, therefore, that either the farmer has to receive subsidies or the consumer will have to pay more for agricultural products. You can solve the problem one way or the other.

I am of the opinion that people in Canada are getting off very cheaply in so far as agricultural products are concerned. Let us use, as an example, the figures cited by the hon. member of the Ralliement Créditiste party who spoke yesterday. He mentioned that potatoes were selling at $1.50 per hundred pounds or 1½ cents per pound. Anyone who knows anything about the production of potatoes will be aware that this price is well below the normal cost of production. A farmer would have to be in love with producing potatoes to produce them at that price. However, the consumer gets the benefit of low cost agricultural products in this field as well as others, including wheat products, dairy products and so on.

• (4:30 p.m.)

I am of the opinion that any increase in the mortgage rate is intolerable, and I would vote against any increase in the interest charged on Farm Credit Corporation loans. I would do so for a very simple reason. I would rather people did not enter the agricultural field today than see them spend the next ten years breaking their necks to repay a loan, probably ending up in the slum of some city because the corporation had taken over the farm. This sort of thing will happen as sure

as I stand here. The farmer has no control over the marketing of his commodity or over the financing of his loan.

If governments in the past had not believed in subsidizing the farmers by fixing the interest rate over a 20 or 25-year period, then we would have left the matter to banks and other lending institutions in the mortgage field. If a farmer goes to his local credit union, caisse populaire or trust company and borrows money to buy gas for his truck or for his year's crop at 10 or 12 per cent and then goes bankrupt, the lending company, having charged him a high enough rate of interest in the first place, can afford to take its share of the loss. But when mortgages are granted to farmers I think the government has the responsibility of maintaining a reasonable rate of interest, and I consider 5 per cent to be reasonable.

I do not like wheat pools, Mr. Chairman, because although they are co-operatives they have tended to become so large that the membership has no say in their day to day operation, and in my opinion has not had too much say in some of the decisions that have been taken. However, in the publication, the *Western Producer,* the following appeared on the subject of farm credit:

> Low returns to agriculture production often make interest rates higher than 5 per cent an excessive burden which hinders progress in agriculture in both the farmers' interests and the public's interest. It is therefore essential that through the Farm Credit Corporation or through an expanded and restructed federal agricultural credit service, a supervised "package" credit service be developed that can meet the short, intermediate and long term credit needs of farmers on a planned basis and at a moderate (i.e. 5 per cent) rate of interest. Such a service should very soon be made available.

I agree entirely with that comment. I believe that if the governor in council is allowed to set the rate of interest it will reach a similar level to that charged by Central Mortgage and Housing Corporation. It will probably be 1 percentage point higher than the current government rate at the time, and the rate for farmers will be in the range of 7 to 7½ per cent on a long term mortgage. I ask, Mr. Chairman, what happens in the case of a calamity occurring, such as a crop failure? How long can you compound 6, 7 or 8 per cent interest? Any farmer will be able to provide the answer.

Therefore, it falls upon the minister to decide whether or not he should maintain the rate of interest on such loans at 5 per cent, this figure having been fairly representative of interest requirements in the market for the last 30 years. If he does so, then the rate will have to be subsidized, but a $3 million subsidy on the part of the government on borrowings of $263 million does not seem to me unreasonable. Are we to charge an interest rate that will bankrupt the farmer, or oppose a bill that will give the farmer an inadequate money supply for expansion in the agricultural community? Personally, I would rather small farmers were not able to borrow money than see them charged a rate of interest at which they cannot repay their loans.

We have all seen those advertisements on television—I have taken part in some myself—where a man goes down to his local credit union, or whatever it is, and borrows money wisely, and all that sort of thing. However, I also know that this money has to be paid back. A worker who loses his job or gets sick for two or three weeks finds Household Finance sitting on his doorstep. I remember once working in an industry that went on strike, and I not only found the finance company on my doorstep but during the course of travelling around the country I found their agents in the lobby of every hotel at which I stayed. Certainly I would not want this sort of thing to happen to our farmers.

So far as the Farm Improvement Loans Act is concerned, I think that here the government is paying off an election debt. The government received a great deal of assistance during the last election campaign from finance and insurance companies. In my area some insurance companies had two or three people working in the election campaign, presumably because of some of the things I have said over a period of time about certain insurance companies. However, I am sure this sort of thing was general; I have heard it took place in a number of ridings.

If this legislation passes, certain finance, trust and insurance companies are going to set up an advisory body which will tell the farmers how to handle the money they lend them and help them in general. These companies do not need to help the farmers. The government is going to guarantee these loans. These loans will not be subject to an interest rate of 5 per cent; this has already been decided. Once the ceiling on interest rates has been lifted, these companies will be hungry for the market. And why not? This is a market in which the loans are guaranteed by the government, and so these companies cannot possibly lose.

I am aware of the fact that during the last 11 years many farmers have had difficulty borrowing money from banks and obtaining

credit. I am sure the minister also is well aware of this. Both of us have been here long enough to have participated many times in debates on the problems of the old legislation which set up the Canadian farm loans board. There was a total lack of respect in the agricultural community for that agency.

The minister and I also participated in the setting up of the Farm Credit Corporation, and I think that he will be the first to agree that this legislation, so far as the opposition was concerned, was patterned on the Veterans Land Act. We wrote into the legislation the supervised credit provisions contained in that act. As Canadians, I think we were proud of what we did under the Veterans Land Act, and to my mind one of our greatest accomplishments was the stabilization of the interest rate veterans had to pay over the years.

Similar provisions were put into the farming legislation because there was no one on either side of the house who did not agree that the agricultural community was experiencing difficulties in most of its operations. Farmers could not be saddled with a high interest rate when their returns produced an annual net income of something less than $3,000. Therefore, I hope that the minister will at least consider the provision of long term mortgages, as is the case under the Farm Improvement Loans Act, and subsidize those loans so as to maintain the interest rate at 5 per cent. This is a field where we have to rely on private enterprise to put up the money, though, of course, we are furnishing guarantees.

• (4:40 p.m.)

I trust the minister will give serious consideration to retaining the present interest rate. Apart from anything else, this would serve as a yardstick by which the minister could measure the extent of treasury commitments by way of guarantee. I am sure the minister will bear this in mind, because he is as interested in the welfare of the agricultural community as I am, and no one believes he wants to return to the old days when people could lose their homes and property as a result of inability to pay excessive interest rates. I believe that the government, through subsidization, should over the long term bring about equality in interest rates levied on the mortgage type loans which are the backbone of financing in the agricultural community today.

Mr. Horner: Mr. Chairman, in rising to speak on these three resolutions my opening remarks must be directed to the question of urgency to which the minister has referred. I wish to make it clear to you, Mr. Chairman, and to the country at large that it is parliament's duty to examine legislative proposals and the government's duty to regulate the order of business.

We were told that the measure which came up for discussion earlier today was urgently needed and that action should be taken in a hurry. We have been told that the farm improvement legislation has expired and that all the money available has been lent. It was the duty of the government to have called parliament one month earlier than it did so that all these matters could have been dealt with. If hon. gentlemen opposite continue to follow their present course they will wait until everything becomes urgent. Then we, as law-abiding members of the opposition, would be asked to forgo any opportunity to speak or to call attention to defects in the legislation, in favour of passing everything in a hurry. I wish to make it vividly clear why the government did not get unanimous consent to proceed to second reading of the previous bill.

The purpose of the farm improvement legislation a few years ago was to guarantee loans made by the banks so they could lend money to farmers. This act died on June 3, 1968 and it is now being reinstated to 1971. Three changes are proposed by the minister—a new interest rate, loans on land and an increase in the total amount of the permitted loans.

It is interesting to note that the minister's first piece of work for the Liberal government in parliament is to introduce three bills each of which contains provisions for increased interest rates. Consider this in the light of the minister's background. For years and years he campaigned in Alberta in favour of lower interest rates, particularly for the agricultural industry. Yet the first stroke of business he does after crossing the fence is to present parliament with three bills each of which increases interest rates. I wonder what his friends back home will think of this stroke of business. I am certain that the farmers do not consider higher interest rates a necessity today though it may well be that the government does. Remember, it was a Liberal government which two years ago took the ceiling off interest rates, and we all saw what happened last year. They shot skyward. Fortunately, they are now receding somewhat, but this government is still not happy. They want carte blanche to allow them to increase interest rates at any time in connection with this piece of farm legislation.

In this context it is interesting to recall what the minister himself said about farm income, upon which rests the ability to repay these loans. It is all very well for the hon. gentleman to say that this bill will increase the amount available to farmers from $15,000 to $25,000. It is not the government which will lend this money. The banks will be asked to lend it and the banks will not lend it unless the borrowers can repay these amounts. That is the sole criterion.

In an article on agricultural policy which appeared in the *Leader-Post* on July 27, 1968, the minister is quoted as saying:

> The mechanics of the solutions may be different, but getting costs and receipts far enough apart so there is a reasonable income left is what is needed.

I ask the minister my first question. Are these proposals likely to get costs and receipts far enough apart so there is a reasonable income left? The answer is obvious. They are not. How can they when the hon. gentleman has increased one of the farmer's basic costs?

We on this side of the house recall some of the remarks made by the minister in the course of a previous debate on this subject in April, 1966, as reported in *Hansard* at page 4325. This is what he told us with regard to increasing the money available to farmers:

> Finally, I want to say that there has been an alarming increase in the price of farm machinery. We had a manifestation of the concern in this regard yesterday in the house. I am wondering whether there has not been an increase in the price of farm machinery because the maximum amount available to an individual farmer was raised from $7,500 to $15,000 only a short time ago.

While I do not accept his premise, I ask the minister a second question: Is it logical, then, to expect that if the permitted amount of loan is increased from $15,000 to $25,000 the price of farm machinery will go up? When we sat on the agricultural committee and studied this question the machine manufacturers bare facedly admitted that they charged what the market would bear. It was as clear as that. Now the minister proposes giving the farmers more money. Is it logical to suppose that the machine companies, for a time at any rate, will try to capitalize on the situation, at least until they realize that in a few years the farmers will be broke?

Mr. Olson: Has the hon. member read the statement that I made last night?

Mr. Horner: I read the whole speech and I found it most unenlightening. It contained a number of hidden suggestions and I propose to deal with them quickly. The minister talked about bigger guaranteed loans to farmers and said the size of the average loan to farmers had increased. I am concerned about the ability of the industry to pay back these loans.

What do we see happening? One of the three agencies of the wheat board, James Richardson and Sons, states that it has never seen the wheat marketing position look so poor as it does today. What does the government say? I saw the minister of industry on television the other day and he said: "Well, we cannot say; we have big hopes; we shall make a statement in a day or two." Mr. Chairman, all of western Canada is in a state of uncertainty.

• (4:50 p.m.)

We have had a difficult fall. I believe the farmers will get their crops off the land, but they want to know whether the government is making a firm attempt to market their wheat. Here is an article I clipped from the *Manitoba Co-Operator*. The heading reads, "Canadian Action Hurts Wheat Sales." Is that a very encouraging heading? The article dealt with the Canberra meeting and said in part that of the five major exporting nations that met at Canberra the United States was the only one complaining. It complained about Australia's pricing policies and about France's pricing policies. Canada, the article said, was not complaining. Canada was in a conciliatory mood and was prepared to work things out.

Does this give encouragement to our farmers and help them to put up with the troubles that nature has provided them with this fall? It does not. It signifies to the farmers that the government does not care. The United States is fighting the battles of the Canadian wheat farmer. The United States set a target for its wheat exports of 750 million bushels last year, and this year it has announced the same target figure. What target have we had from our government?

As I said, the minister went on television and shrugged his shoulders. This shrugging of shoulders is becoming a very popular habit on television today. The minister said, "We cannot really say, but we have got a couple of good announcements to come." If there were good announcements to come a grain marketing firm like James Richardson would not have said that it never saw the market prospects look gloomier.

The minister's basic responsibility is to assure that the agricultural industry will be

able to pay back the loans that he is advocating through this and the other two resolutions. What about farm machinery sales during the past year? It is a well known fact that bankers will lend only that amount of money that a person is able to pay back. A person can increase his farm machinery requirements from $25,000 to $45,000 but the banks will not advance him the difference.

While I am dealing with the subject of bankers lending money I would point out that many hon. members have stood in this house and said that the agricultural industry is a good credit industry, and that only one-tenth of one per cent of the amount of loans made by the Farm Credit Corporation were not repaid. However, banks do not have a good reputation with regard to taking risks. This farm improvement loans legislation guarantees up to 10 per cent of an individual bank's losses. Why have the banks not taken a greater risk? Why have they not been prepared to take a greater risk? I suppose the reason is that they would say: We are not too confident of the agricultural industry in Canada.

We have not seen the government nail down an agricultural policy. When the former minister of agriculture was asked a question about agricultural policy he replied "I have set up an advisory policy group in that regard and they are going to bring down a policy pretty soon." The present minister said the same thing last night—"Wait until I hear from my policy advisers." They are four university professors. If they ever got into a barnyard they would not know their way out of it. What kind of policy will they produce?

Machinery manufacturers charge all the market will bear. I point out that machine sales this year are down drastically—34 per cent in the province of Saskatchewan, 22 per cent in Manitoba, and 26.6 per cent in the province of Alberta. According to the Dominion Bureau of Statistics, these three provinces purchase over 60 per cent of all the farm machinery bought in Canada. This gives some idea of the present state of confidence in the agricultural industry. Farm machinery sales would not be down if farmers and bankers had confidence in the industry. Yet the government is reluctant to make a forecast of market prospects for wheat this year.

It is a well known fact, based on Dominion Bureau of Statistics figures, that farm net income corresponds directly to the amount of wheat sales. I would like to quote from the Dominion Bureau of Statistics annual report on farm net income, in the hope of showing the great need for the minister to come out and state emphatically what his policies and objectives are. The report states:

> Total farm net income ... which takes into account changes in farm inventories of field crops and livestock, amounted to $1,529.1 million in 1967, 21.2 per cent below the 1966 record—

This gives some idea of the problem confronting the industry today. What are the prospects with regard to 1968 farm net income? I was going to say that wheat sales are down something like 50 per cent but the figure is not quite that. They are down a good 33 per cent. Total wheat sales, including flour, for the crop year ended 1968 were down $330 million. Yet we hear the Minister of Agriculture say, "You cannot have a subsidized interest rate because it gets things out of whack in the economy and the economists advise against it."

But the government has no trouble guaranteeing the automobile manufacturers a subsidy of $50 million a year. It has no trouble guaranteeing subsidies to other sectors of the economy. However, when the agricultural industry asks that its interest rate not be increased the minister suggests that he cannot do anything about it. He was the one who cried for years in the province of Alberta that interest rates were too high. We now find him advocating that they should be higher.

I should now like to direct my remarks to the Farm Credit Corporation. The Farm Credit Corporation was devised out of the old farm loan board. It was specifically designed to help farmers who could not definitely be stated to have efficient units. But in the past few years we have seen a drift in the direction of the Farm Credit Corporation helping farmers who are on what might be called efficient and economic units.

It is high time that the whole question of the Farm Credit Corporation and its policies be referred to the standing committee on agriculture. As I read the minister's remarks last night he talked about the advisability of making Farm Credit Corporation loans available to Indians and other people. The resolution is very specific in that regard. It speaks of:

> —a measure to amend the Farm Credit Act to broaden the classes of persons eligible for loans under the act;

That is a broad statement. I believe that the whole question of the Farm Credit Corporation's policies should be referred to the standing committee on agriculture which could deal with all aspects.

Farm Credit Act

As recorded on page 4324 of *Hansard* for April 26, 1966, the Minister of Agriculture said:

> If we refer to the records of the Farm Credit Corporation we find that the regulations applicable to young people have perhaps been a little too rigid.

Last night he said that he agreed that regulations have to be made under which a father and son can carry on a business in co-operation with one another. Has this not been the policy? If it has been, why is it not working? Certainly it was our understanding of the Farm Credit Corporation legislation that farms could be passed from father to son without too much difficulty.

I think everyone on this side of the chamber, including members to my left and right if they come from agricultural areas, is well aware of the fact that the Farm Credit Corporation has done a tremendous job. But I know that the minister, if he were not occupying a seat in the cabinet, would be the first to agree with me that during the last few years there has been a tendency for the Farm Credit Corporation to slip away from its original purposes and intent.

I am quite prepared to let the farm improvement loans legislation go through as rapidly as possible, but I say without any hesitation that the Farm Credit Corporation legislation and the policies of the corporation should be referred to the standing committee on agriculture. Not since its inception in 1959 has the Farm Credit Corporation been examined by the agricultural committee in any real sense.

• (5:00 p.m.)

I remember well when the farm machinery syndicate bill was before parliament. At that time the minister said that this matter could be taken back to the agricultural committee every year if we did not like it. He said that it could be referred to the committee and reviewed by the members of the committee every year. Since it was passed I have noticed that the regulations have been changed and that loans are now being made on buildings. Under the original bill each farmer had to sign a guarantee covering the total amount of his loan. In the proposed resolution we see that the corporations, co-operatives and so on will all be eligible and that individual members will not be broken down. I take it that if a corporation is formed in such a manner that each farmer is responsible only for his share of the net borrowings of the corporation the corporation still will qualify for a farm syndicate loan.

Under the old bill, if seven farmers could join together to borrow $100,000 I did not see any sense in each one of those seven farmers having to guarantee the $100,000. This is the way the original bill was drawn up. I believe that each farmer should guarantee only that portion for which he is responsible and not the total amount. I certainly would like to think that this could be dealt with having in mind the reason the farm syndicate legislation has not been the success the minister concerned thought it would be. I believe the number of loans has been approximately 444. The minister can correct me if I am wrong. Therefore it has not been the success the minister thought it would be. Why has it not been a success? It has done a good job with regard to the lending of money to families but it really has not broadened its scope. Loans to farmers for building purposes would aid the farmers generally.

We on this side of the house believe the interest rate on Farm Credit Corporation loans should not be allowed to increase. There is nothing wrong with the subsidization of loans for a period in respect of the agricultural industry when that industry is in difficulty as it certainly is today. When I first became a member of parliament many years ago the Farm Loan Board was making a profit and paying income tax on that profit. If the minister doubts my words he can look at the records for the year 1956-57. This is an indication that interest rates can fluctuate over the years. The corporation can make loans for a period of up to 30 years. In that period, 5 per cent might balance out to be exactly the right rate or perhaps even too much. Certainly it is not necessary to have a fluctuating rate. This would mean, for instance, that when the agricultural industry is in difficulty the interest rate would be high and when the agricultural industry is operating on a sound basis the interest rate would be lower. The opposite should be true. When the industry is in trouble the government should lower the interest rate and when the industry is buoyant perhaps it no longer requires subsidization.

I doubt that the minister would say that he is increasing the interest rate today because the agricultural industry is backward. Perhaps we should take a look at the situation round the world today. In the United States the question being asked is whether they should pay the farmer more than $10,000 a year not to farm. The dairy industry in the

United States is subsidized to the hilt. One might look at the situation in respect of the European common market. Wheat and almost every other agricultural product are subsidized. Pork is subsidized to the amount of approximately $14 a hundredweight. In the Netherlands, for example, a pound of cheddar cheese worth 55 cents is selling for 17 cents a pound. In other words, they are subsidizing their dairy industry.

There is no question in my mind about the fact that the agricultural industry is today one of the basic industries of this country. It is one of the main employers of this country, perhaps even a greater employer than the federal government and all other governments combined. To the surprise of many people in the province of Alberta the agricultural industry there is still the main employer. What is this government doing? It is not allowing the net income of the farmer to increase. Rather, it is allowing his costs to increase and thereby accentuating the cost-prize squeeze. The government very recently increased the farmer's costs by allowing the St. Lawrence seaway charges to increase another percentage point.

We are told that the government does not know what the wheat sales will be this year. We are told that there are great expectations for the next three years averaged together, but we do not know about this year. Sales are necessary now when the agricultural industry finds itself in a state of flux. Grain sales are off, farm net income is low and more people are leaving the farms. They are not necessarily leaving because they want to but because their income is not comparable with that of those in other parts of our society.

It is the duty of the minister to ensure that all those who are engaged in the farming industry today earn an income comparable with that earned in other sectors of our society so that they will be in a position to pay back the amount of money he is prepared to lend them.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, several hon. members have indicated already that the Minister of Agriculture, in effect, is guaranteeing a sound and sure thing to the financial institutions. As a farmer, a backbencher and a new member I had the impression that the Minister of Agriculture had the responsibility of looking after the interests of the farmers. Perhaps I am mistaken. In view of some of the speeches which have been made some doubt has been raised in my mind. As a farmer and a member representing an agricultural district I feel a certain measure of insecurity and doubt about the position of the agricultural industry in western Canada. This is the only industry about which I can speak with any authority.

There has been considerable doubt in my mind about the policies of the present Minister of Agriculture and the desire of the government to do something about solving the farmers' problems. One thing I am sure of; I am aware of how much money I am not making. We have had this experience before in the field of agriculture. If the Minister of Agriculture is a farmer he must have had a certain amount of experience of this kind. We are guaranteeing to the financial institutions a sure thing in the lending of this money to farmers. Are the farmers to be the ones to take the risk and to become the entrepreneurs of the new society? Are they to take the risk while the financial institutions are given a higher rate of interest? I understand the interest rate has gone up because the risk has increased. I assume that the Minister of Agriculture is a farmer and that he is interested in the problems of the farmer. I assume also that he is determined to proceed with the legislation which is on the order paper. Therefore I wish to make some suggestions to him in respect of some items which I think might improve the legislation.

First, I should like to suggest that any lending institution that is not familiar with the farming industry should not be allowed to lend money under this legislation. Farmers can get into enough trouble without advice from those who have no particular interest in the industry except to make money.

• (5:10 p.m.)

I suggest to the Minister of Agriculture that interest payments should not have to be made more than once a year. Frequently when you borrow money from a bank you are required to pay interest once a month or at least once every six months. This is a compounding of interest rates and in direct conflict with the Farm Improvement Loans Act as it has been. Under that act interest payment has only been required once a year.

It is my belief that the interest rate should be set by parliament. If we cannot set an absolute rate here, we should have a formula whereby it is tied to the bank rate and it should not be higher than 1 per cent above that bank rate. I have the uneasy feeling that if we allow rates to be set by order in council they will be higher than we are now paying.

If a bank or lending institution is to receive a guarantee from the government the interest rate should not be too high.

Let me turn for a moment to the Farm Credit Act. I asked a question of the Minister of Agriculture last evening about broadening the classes of individuals under the act. As yet I have received no reply. It is my suggestion that under this act only practising farmers should receive loans. I am not opposed to government boards or agencies lending money to anyone else, but that should be done under some other act or authority. Let us restrict eligibility under this act to practising farmers.

Mr. Olson: May I ask the hon. member whether he is referring to the F.C.C. when he makes that statement?

Mr. Thomson (Battleford-Kindersley): I was referring to the Farm Credit Corporation, yes. Eligibility should only pertain to practising farmers. I want to refer particularly to those people I feel the Farm Credit Corporation should be considering. If there is to be a broadening of the classes of individuals eligible for loans, I suggest the loans should be made to those who need them most. The terms under which those who wish to borrow money can qualify should be broadened.

It may be that loans should only be made on the basis of an individual's ability to farm, but that is not the case at this time. One has to have a certain equity, and if you do not have a rich family or a well known friend you will never get a loan. It does not matter how efficient a farmer you may be or how shrewd a businessman you are, you require a certain amount of money. I hope the minister will consider broadening the aspects of the act in this regard.

Let me tell you about a young farmer with whom I was discussing the problem of getting started in farming. I asked why the Farm Credit Corporation could not buy economic units as such and lease them to young farmers with suitable qualifications for a period of five or ten years. At a later date they could have an option to purchase the farm. This young farmer, who was not of the same political persuasion as myself, agreed with me and suggested that if the Farm Credit Corporation purchased economic units they should be leased only to young farmers who wished to start farming.

In my district many farmers are reaching the age when they will wish to dispose of their farm units. Many of them have built up reasonably successful and fairly large units. There is a shortage of young farmers who are in a position to get started, and I think it only reasonable that we provide a more effective way of acquiring farm units for those who wish to farm and do not have adequate backing. Very often a father who is able to start his son in farming finds that his son does not wish to stay at home. Often it is necessary for a farmer with four or five sons to obtain assistance to get them established.

I repeat that we in parliament should set the interest rate. This is government money we are discussing and we should have some control in this regard. If the Minister of Agriculture becomes ashamed of what the interest rate is I think he should let us know. If he is not prepared to allow parliament to set the interest rate I feel the bill should be referred to the committee on agriculture where it can be thoroughly discussed.

Under the provisions of these two acts I think it will be possible for farmers to borrow enough money to get started, purchase machinery and operate efficient economic units, as we understand them in west central Saskatchewan where there are many such units. With higher interest rates costs will increase and it will be very difficult even for those who have large economic units to make any money. I discussed this matter with a farm loans manager who said it was becoming more difficult for the individual farmer to obtain an adequate net return, in spite of the fact he may have $100,000 or $150,000 tied up in his particular enterprise. This is the opinion of a man who should know, and he had no axe to grind with me. We were just discussing this matter in a practical way.

What will happen to those farmers or operators who for reasons beyond their control find themselves without enough money to continue operations? Obviously the minister has recognized agriculture as a commercial industry rather than as a subsistence activity. I suggest to him that it is not enough to settle for adequate capital and encouragement to individual farmers to take courses in farm management. We must also have volume of production at adequate prices. I am sure that the minister, who is the operator of a fairly large farm, I understand, realizes the importance of volume and what happens when volume decreases. If we do not sell a great deal of our farm production we will soon see a lot of individual farmers in trouble. This is not only true of farmers but also of those who service their industry such as farm dealers and others. They too depend on large volume

businesses, and a very small margin off the top can put them in trouble.

The situation in respect of the sale of grain has been discussed in this house during the debate on the throne speech and at other times. Apparently the Minister of Agriculture cannot or will not do anything about grain sales. He refers the matter to the Minister of Trade and Commerce. He does not know what to do about the situation so he refers it to the Prime Minister. Obviously the Prime Minister, with no farming background, does not know what to do about it so he discusses it with the flower children. Where does this leave the farmer? It is high time something was done.

With all due respect to the Minister of Agriculture, let us not separate capital requirements and farm management from the marketplace and prices that are adequate if the farmer is to make a going thing of his particular economic enterprise.

• (5:20 p.m.)

[*Translation*]

Mr. Dumont: Mr. Chairman, as the representative of a riding where 35 per cent of the people are farmers, I would like to say a few words about the resolution of the Minister of Agriculture (Mr. Olson) to extend the definition of the categories of people who can get loans, to increase the capital of the Farm Credit Corporation, etc.

I am a little worried about that possibility of allowing people other than bona fide farmers to secure those loans, because the day might come when someone will buy so much land that he will be able to control what we call a parish in Quebec. That worries me in the sense that there would then be a controller of farm life who would not be interested in keeping up the operation of that family farm in Quebec which, although larger today, must not be abandoned.

I have often heard—and I was able to check that information—that, in Quebec and even throughout Canada, for every 30 farms whose operation is abandoned a hospital must be built. Many hospitals are now built because seeds do not contain, through good family farming—the vitamins or fertilizers necessary to their growth. Those products are not wholesome for Canadians as they used to be.

Farming has been commercialized and I see in this resolution the possibility that some businessmen may take advantage of the borrowing right and end up by controlling unduly large farms. If there is unemployment now in Canada, why should we stop operating family farms which enabled father, mother and children to work together, especially if we consider the farming vocation of the province of Quebec, and let one single man control a whole parish, as I was saying earlier.

I am in favour of the family farm so that farm products which used to be healthful for our people may continue to be so. Indeed, our farmers of the province of Quebec, thanks to the family farm which they had operated well, had succeeded in maintaining the health of our Canadian citizens.

A review of the figures quoted by the Minister of Agriculture shows a number of astronomical loans, that is 72,000 loans for a total of $1,100 million.

Taking those figures into account, I would like to know how many Quebecers have taken advantage of this legislation? It is probably one of the reasons which explains the massive desertion of farms in Quebec, because the loans were never granted in that province in the same way as in the rest of Canada.

I do not object to the prosperity of agriculture in the west or in other parts of Canada. But I also wish that agriculture in Quebec would be profitable, because at the present time, a considerable number of farmers apply for social welfare, because the family farm does not provide them with a living.

In 1962, when the minister sat on this side of the house, I had asked—he is aware of it, and this could be done this year also, since we can now buy feed grains at a low cost and without delay—that grain elevators be built which would allow the eastern farmers to purchase feed grains at a lower cost.

I am not sure, but it seems to me there should be limits to borrowing, to giving more rope for anyone to strangle himself even more. Let us permit the farmer to manage his farm and earn sufficient income to live decently.

If we allow the farmers to borrow even more money at higher interest rates, this will certainly play us a nasty trick, as was the case when banks were allowed to lend money at higher interest rates; we see today that the financial sharks, the bankers are eating each other up. Tomorrow, farmers will be chased after in an effort to lend them money, and little by little they will be strangled, because agriculture does not pay.

A while ago someone said, and I read it in the papers, that an additional subsidy of two

cents per pound would be paid for butter. But, and this came right after, that subsidy would be used to pay for its storage. The farmer then will not feel any of its effects. We would need immediate measures.

The other day I heard the hon. Minister of Trade, Commerce and Industry (Mr. Pepin) say in the house that the western wheat posed problems. I know, even now, a company in Quebec, which is ready to supply us with a barge to go and get the grain out west, to transport it down the St. Lawrence seaway, unload it at a seaport, so that the farmers can go and get it. They would then have some income to enable the family farm to keep on progressing.

Grains keep much longer in elevators, but even during the fall, with the nice weather we are having in Quebec, if the barge were loaded over there and came to the eastern ports the farmers could organize a bee and purchase wheat at $1 or $1.50 less per hundredweight. Then the undertaking would be profitable. We do not ask for permission to choke the farmer a little more. What we ask, is the right for him to a better income. This would be much better than making loans of $50,000 or $60,000 available. One always says, and there is a truth therein: "Tell me who is helping you financially and I will tell you who is taking advantage of you."

You want to broaden the provisions of the Farm Credit Act. This is only logical and I do not see any objection to it. What I object to is that we would do this to the prejudice of the family farm in Quebec. Why do we not take example on the Quebec agricultural legislation which provides for the repayment of the interest rate on loans. It seems to me we could provide for a rebate of this kind on federal farm loans. This would help directly the farmer who is even now leaving the farm to join the crowd of people depending on social security cheques for their living.

• (5:30 p.m.)

Social welfare for these people now amounts to $248 millions. Whether we want to or not, we have to grant social welfare and build hospitals. That money is spent nevertheless although there is no help for the farmers.

Therefore, as representatives of the province of Quebec and in the case of my constituency where 35 per cent of the population are farmers, we ask for the immediate adoption of legislation that will contribute towards the true restoration of the family farm. Considering the figures I have just given, I maintain that, at the present time, Quebec is not benefitting from loans as its agriculture is not profitable anymore. Produce is being imported from the United States through commercially organized farms where the land is over-cultivated. It must be remembered that over-cultivated land will, in the end, not yield what the country needs as a minimum for feeding its people.

I would myself ask another question. If the Parliamentary Secretary to the Minister of Agriculture (Mr. Côté) has a word to say about the farmers, why does he not contribute something that would be really helpful to the province of Quebec? Perhaps the parliamentary secretary has forgotten that his party had promised the appointment of a Minister of Agriculture for Eastern Canada. That promise never materialized and it melted with the spring snow. That had been promised in January and its realization would have assisted the eastern farmers as distinctions could have been made between problems of western and eastern Canada so that solutions could have been found.

These problems, however, are not yet settled. Feed grain is sold at prices which simply exploit the farmer, for government subsidies for transportation by rail are given to the C.N.R. and the C.P.R. instead of being given to the farmers. In my riding, the feed grain could be moved by truck and delivered to the farmers, which would allow them to make more money. I would like to see credit given for initiatives like these, instead of the money going to people who will commercialize the farms, for there has been too much of that in the past. We must go back to what we have known in Quebec, and that is why we ask the Minister of Agriculture to take concrete steps.

Since I came to this house, on September 12, or since my election on June 25, I have concerned myself with this problem of feed grain in the hope of increasing the farmer's income and of stopping the commercialization of family farms. A company agreed to provide a barge which would fetch feed grain free of charge; that would mean a higher income for the farmer. We would then see fewer of these $25,000 or $30,000 loans at interest rates which are too high and which prevent our farmers from having an income which would allow them to live decently.

Again, Mr. Chairman, I ask the minister not to make it too easy to borrow at any

price, for we have had one bad experience of this sort with the banks when we allowed them to lend money at uncontrolled interest rates. Everyone regrets this step which was taken, but it is too late, for the legislation has been passed. I therefore ask the minister to consider all aspects of the situation, so that we will not have to go back on our decision later.

[*English*]

Mr. Cadieu (Meadow Lake): Mr. Chairman, it gives me a great deal of pleasure to speak on the three resolutions before us because I was a member of the agricultural committee at the time the Farm Credit Act was first brought in and I recall much of the action that took place. There was a great need for such a bill. However, I am certainly in wholehearted agreement with what was said by the hon. member for Crowfoot this afternoon when he proposed that this resolution be placed before the standing committee on agriculture because it is my view that it is necessary to amend and review this legislation from time to time.

As will be recalled, when the Farm Credit Act was first brought in its primary purpose was to help young farmers to get a start because we found in western Canada that young people were increasingly being forced away from farms and consequently farms were being deserted and left to elderly people who had to try to carry on by themselves. The introduction of the act brought a ray of hope to farmers in western Canada because it gave an opportunity to young people to obtain capital to work on farms and enabled the senior citizens to retire.

I found that as time went on we drifted away from the goals which we set for ourselves under this legislation, and it is now helping to a larger extent the big farmers. I have noticed that in recent years many young people must be subsidized in order to stay on their farms but their applications for loans have been turned down and they have had to take on other employment so as to enable them to continue farming. The farming situation in Canada has worsened to the point where farmers must be subsidized in this day and age. Farming is the life of these people and what they want to do, but in many cases they can only be part time farmers and must take other employment in order to meet their obligations and to put their farms on a sound economic footing.

I therefore support the proposal made by the hon. member for Crowfoot that before this resolution is passed by the house it should be considered in the agricultural committee. I strongly urge the government to refer this resolution to the committee before it makes any changes in the Farm Credit Corporation.

We realize the value of farm improvement loans. Farmers must have this credit in order to carry on. There is no point in having farm improvement loan legislation if there is no money available because the rate of interest is too low and banks do not want to lend money. This is what we have experienced in the past years. I do not think there would be any harm in having this matter discussed in the agricultural committee.

I think consideration must be given to increasing the amount of capital of the Farm Credit Corporation because farmers have had to increase the size of their farms. At present this is an economic necessity. Farmers must have sufficient capital to purchase the necessary machinery and farms must be large enough to be economic. This amendment to the act is very necessary.

• (5:40 p.m.)

I should like to point out that there are many farmers on smaller units. These people must crawl before they can walk. I have known qualified farmers, men who have been raised on the farm and decided to make farming their life work, who have been turned down when they applied for loans. As I pointed out, I for one feel that I would not like to see the interest rate on Farm Credit Corporation loans allowed to fluctuate at will because I feel this would be very detrimental.

I feel differently about the other resolution covering farm improvement loans. As I pointed out, we saw what happened last summer when there was no money available to make farm improvement loans. We saw what happened to business throughout western Canada. The lack of business was noticeable because people were unable to purchase much needed machinery when farm improvement loans were not available.

I do not intend to dwell very long on the third resolution concerning the co-operative purchase of farm machinery. I have been unable to find that this idea has worked to the advantage of the farmers. There are certain types of machinery that farmers can own jointly. In my part of the country, however, farmers have to do their work in seasonable weather, so it is not too long until

they want to own their machinery. I do not believe this act has been used to any extent in my district. Years ago there were machinery syndicates, but I have been unable to find any such syndicates in my district today except where a family is concerned.

I urge upon the minister that before any great changes are made in the Farm Credit Corporation the matter should be brought before the committee on agriculture. In so far as farm improvement loans are concerned, as I have said there is no point in having the legislation on the books if the interest rate is such that there is no money to borrow.

Mr. Burton: Mr. Chairman, in rising to take part in the debate on this resolution, I first of all want to comment upon the minister's reference to the urgency of expediting the passage of this measure. I can certainly sympathize with this attitude, and I do not want to see the mounting pile of letters on his desk get any higher before some action is taken. Nevertheless, I trust he will try to forgive me if I suggest that there is a very heavy responsibility on the Liberal party for the delay in introducing legislation on this subject. I trust the minister is not suggesting the corollary of this particular statement because I feel that proper discussion of this legislation is required. I suggest that adequate discussion of this measure should in no way be considered as delaying its passage or implementation. It seems to me there are some fundamental points we do need to consider in dealing with this resolution.

First of all, I think that farm credit cannot be considered in isolation from general farm policies and programs. I think that credit can be a trap if it is not tied in with other farm programs to ensure that every farmer will have adequate returns for his produce. In this regard I noted this statement the minister made as recorded in *Hansard* for yesterday, page 599:

> The objectives of the program are to provide the capital to facilitate the organization of Canadian agriculture into viable farm units in the hands of our competent farmers so that agriculture may make the greatest possible contribution to the Canadian economy and provide farmers with equitable returns for their investment of capital, work and skills.

I agree that in so far as the provision of capital does assist in bringing about an efficient farm enterprise it does contribute to the farmer's well-being. Nevertheless, this is no substitute for adequate legislation to ensure that the farmer does have adequate returns for the produce he takes to the market as a result of the capital investment he has made.

The second fundamental point that I think needs to be commented upon has already been dealt with by a number of hon. members. I do not intend to deal with it at any great length. Nevertheless, I have to refer to it. I refer to the lack of a comprehensive approach to the credit problem. I feel that we have in the proposals before us at the present time a patch-work program rather than an adequate, comprehensive approach to credit problems.

The third fundamental point, I think, is illustrated in the government proposal to allow interest rates to be set by market forces. I suggest that in fact this means throwing the farmers to the wolves because the farmer has to operate in an economy where he does not have adequate bargaining power, where he does not have economic power of the same degree and nature as that possessed by many other people in other sectors of the Canadian economy. At the present time in this country we have high interest rates. This is a fact in every sector of the economy. One example that has been referred to in this house in recent weeks has been the housing situation and the high interest rates connected with housing. The farmer is also going to have to accept his share of the bill to pay for the mess that has been created by this government.

I believe that the government has to take the responsibility for the skyrocketing interest rates in Canada today. This came about following the revision of some of our monetary legislation at the time the Bank Act was revised and some other measures were before the house. I was not here but it has been confirmed by other members that the present Minister of Agriculture voted against some of the revisions of the Bank Act and the change in the interest rate structure. The fact is that the problems of the farmers were known before 1963 and result, as I pointed out, from the low degree of bargaining power the agricultural industry has in our present economic structure. Given that situation, we may have to recognize that even though it may be wrong we are going to have to levy high interest rates. What do we do, then, with regard to the agricultural industry, an industry that is in a very poor economic position within the total framework of the Canadian economy? There are several alternatives, and I think the government should consider some of them.

The first alternative is for the government to ensure that the farmer has adequate bargaining power through orderly marketing machinery and also, where necessary, guarantee a proper price for his produce. The second alternative is to hold down interest rates and, if necessary to accomplish this, provide the capital for our farm credit program. The third alternative is to subsidize interest rates where necessary. I suggest that these alternatives should be looked at by the government before this legislation is put in final form.

In taking a look at the proposed amendments to this act I note, of course, its extension to credit unions and caisse populaires. They can also lend money under the provisions of the Farm Credit Act. Yesterday the minister made a reference to the extension of the Farm Credit Corporation legislation to Indian reserves. All hon. members in the house applauded this proposal when the minister brought it before us. Certainly I feel that the idea is good, but when one takes a closer look at this provision I believe there are some serious questions that should be asked and answered. The minister stated yesterday, as recorded on page 600 of *Hansard*:

> It would seem appropriate that the corporation be given authority to enter into appropriate agreements with the Minister of Indian Affairs and Northern Development so that appropriate arrangements can be made to provide credit for the development of viable farm businesses on Indian reserves.

• (5:50 p.m.)

This is fine in terms of fulfilling the objective of enabling the Indian people to develop farm enterprises on Indian reserve lands. However, I should also like to suggest that there are some fundamental questions here. The first of these is the fact that these agreements will have to be made with the Minister of Indian Affairs and Northern Development. I quite recognize, of course, that in framing any particular act the minister will have to live within the confines of the legislation now existing. However, I suggest for the consideration of all members that once again we are tying in here programs that are designed to help the Indian people with our present framework within which Indian people are completely dependent upon the benevolence of the Indian affairs branch of the Department of Indian Affairs and Northern Development.

I think, we need to take a look at the principle involved. Certainly I should like to inquire of the minister whether in fact there were consultations with the Indian people prior to bringing this proposal forward. I hope this was the case. I also hope that as a result of any agreements arrived at the Indian people will be able to deal directly with the Farm Credit Corporation instead of having to go through the administrative framework of the Indian affairs branch. I am sure that the minister and many hon. members are aware of the serious delays that have been encountered by many Indian people who have attempted to do something to advance their own economic position.

I have one example before me, Mr. Chairman, of the type of intolerable delays that exist so far as the Indian people are concerned. I have before me a letter addressed to the director of Indian affairs in Ottawa. It is from Mr. Harry Buffalo who lives on the Moose Wood reserve which is south of Saskatoon, Saskatchewan. Copies of the letter were sent to the hon. member for Moose Jaw and to a number of others as well. I should like to quote some parts of the letter in order to indicate the type of difficulty many Indian people experience in their relations with the Indian affairs branch. While I am not in a position specifically to confirm the contents of this letter, I can say from my own personal experience that I have run into similar cases of frustrating delay encountered by the Indian people. Mr. Harry Buffalo states:

> During the last few years I have been trying to build up a cattle herd to become self-sufficient.
>
> I now have 51 head of Hereford cattle, 10 of which I bought by a loan from the department of Indian affairs.
>
> The problem is the lack of haying equipment. The Band obtained (this spring) new haying equipment complete with baler. This haying equipment has been used exclusively by the overseer and his family, these people have no more than ten head of cattle among them and the hay has been put up and sold privately, with the result I have no hay to winter my stock.
>
> On August 2nd, 1968, I went to Regina and saw Mr. Reid. He suggested I see Mr. Hanson at the Duck Lake agency. Mr. Hanson was to send a man to Moose Wood reserve but he never came. (If he did he didn't come to see me.)
>
> Mr. Reid said that I would need $450 as a down payment to buy equipment through the revolving fund. This presents no problem as I could sell two head of cattle to raise this amount or I could borrow this amount from the credit union if I had a statement from the Indian department that I am eligible for he revolving fund loan. (If and when I can get any action from the department of Indian affairs).
>
> I have been to Duck Lake numerous times to see where I stand with getting the use of the hay equipment now on the reserve. My last effort was three weeks ago when I had a lawyer contact Mr. Ivan Ahenkew at Duck Lake. Mr. Ahenkew said he would be down to see me the following Monday, but never came. (He came to the reserve

about a week ago and came to the house, but did not bother to come where I work or wait for me.)

I hope you can picture the position I am in:

1. The haying equipment which is now on the reserve has not been made available to me and I want to know why this equipment has been used only by the overseer Mr. Wm. Eagle and his family.

2. The delays in Regina for not going ahead as promised so I could buy my own equipment.

3. The promises from Mr. Ivan Ahenkew and others at Duck Lake to get in touch with me and straighten these matters out. Promises that were never kept.

We have heard a lot recently about making the Indian self-sufficient. My family are all getting good educations and I am trying to bring them up as good Canadians but how can anyone get ahead getting the run around from supervisors, regional director's office in Regina, Indian agents and other buck passers whose word and promises are no good . . .

It is too late now to save all of my breeding stock, some will have to be sold to winter the rest.

Please see that I am not in this same position next year, anything your department can do at your level would certainly be appreciated.

Yours very truly,
Harry Buffalo

This, Mr. Chairman, is the type of situation that I know has been experienced time and time again by Indian people in dealing with the Indian affairs branch.

One of the resolutions before us amends the Farm Machinery Syndicates Credit Act, and some references have already been made to this act. I think there is no question that if we are going to amend the Farm Credit Act, this act should also be amended so as to maintain consistency in the legislation. I certainly approve and go along with the proposed extension to co-operative associations.

A question has been asked by some people that I should like to hear the minister answer. Who is using the act? It has been suggested that it is mainly the large farmers who are already quite secure in their farming operations, that the act is really not for those farmers who could really obtain some value from it.

I want to make a few more remarks on this resolution, Mr. Chairman, so I would ask whether we might call it six o'clock.

The Deputy Chairman: Order. So that the house may proceed to the consideration of private members' business I will now leave the chair.

[Mr. Burton.]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment this evening are the following: the hon. member for Notre-Dame-de-Grâce (Mr. Allmand)—Public Service, labour department, status of women's bureau; the hon. member for Calgary North (Mr. Woolliams)—Oil, reported reduction in U.S. imports from Canada; the hon. member for Halifax-East Hants (Mr. McCleave)—Post Office Department, reconsideration of policy respecting rural mail contracts.

It being six o'clock p.m. the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, private bills, public bills.

[*Translation*]

PRIVATE BILL

ATLANTIC PEAT MOSS CO. LTD.

Mr. Herb Breau (Gloucester) moved the second reading of Bill No. C-103, an Act respecting Atlantic Peat Moss Co. Ltd.—Mousse de Tourbe Atlantic Cie Ltée.

He said: Mr. Speaker, I move this bill because it is extremely important for my area, and more particularly for a small village that depends upon the operations of a company. The Atlantic Peat Moss Co. Ltd. has been operating in the Lamèque area, in the constituency of Gloucester, for about 15 years and employs an average of 70 people. In 1968, the total amount of the salaries paid was $199,930.

In June last, the Department of Consumers and Corporate Affairs notified the Atlantic Peat Moss Co. Ltd. that it had not filed its annual report. As the head office of the company is in Montreal and the operations were taking place in New Brunswick, the notices could not reach the directors of that company nor the people responsible for that report. The company was dissolved under an act passed by this house.

• (6:00 p.m.)

[*English*]

I do not want to give the impression that I am among those who believe that laws are made to be broken. But this company has

been dissolved and because of the financial implications it is important that it should secure new letters patent. As hon. members know, in the peat moss industry depletion has to be accounted for every year and in this case depletion has gone on for so long that if the company were to apply for a new charter there would need to be a new balance sheet altogether showing an entirely different picture. The working has been depleted for 15 years, so there would only be about 10 per cent of the net value left at this time. For these reasons I ask the house to pass this bill so that the company can continue to operate. It is located in a designated area and if it were to cease its operations the consequence would only be increased welfare payments for this country and higher unemployment.

[*Translation*]

Mr. Speaker, I beg this house to pass this bill because it is of tremendous importance for about 70 employees. Moreover, if this bill were not passed, the company would have to stop its operations and the government would have to pay unemployment insurance benefis or welfare allowances to those workers on top of those which they already receive, because this is a designated area.

[*English*]

Mr. Arnold Peters (Timiskaming): I have looked at this bill and I appreciate the comments made by the hon. member with regard to it. It is certainly not in the form of any bill I have previously seen in the years I have spent here. Perhaps because I am not a lawyer the intent of the bill is not very clear to me. I gather either that the company has gone bankrupt or that something else has happened to it leading to a situation which we are asked to correct.

The explanation given by the hon. member also raises a couple of questions. It is not a sponsored measure of the ordinary kind; the hon. member has a healthy interest in it because of the employment aspect. But I am surprised consideration has not been given to some other way of handling what is neither an incorporation nor a renewal of the letters patent. I fail to gather whether the original letters patent were federal or provincial. It would seem to me there are several reasons for handling this matter in another way. We now propose establishing under federal law a company which has to meet several criteria. What we are really doing is this: we are endorsing criteria which were applicable 15 years ago under the letters patent.

I do not necessarily disagree, but I am concerned about the form of redress available to petitioners in cases which must obviously be outside the prerogative of the letters patent office. However, I presume this bill will go to the committee where the question can be discussed further. While I have no objection to this particular case I would certainly not like to see this format used more generally. Widespread use of it would undoubtedly detract from the value of the provisions we have made for letters patent and the right to make decisions with regard to them.

Recently there has been a tendency for more companies to be established by letters patent and fewer by private bills. The trend seems to be reversing in the present instance. No doubt it is worth while to do so since this company is operating in a designated area where 70 employees are dependent upon it. I only hope some consideration will be given to the propriety of this method of relief when relief is not obtainable in any other way. I hope the bill can be sent to the committee for further study at which time those responsible for the administration of letters patent will be in a position to tell us why their legislation was not sufficient to permit what seems to be a simple continuation after default by misunderstanding.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, looking at the contents of the bill, I can talk with factual knowledge, because I know that at the present time there are companies of that kind in the Rivière-du-Loup and Trois-Pistoles area. Unfortunately, these companies are controlled by American people and this is another one of our resources where the profits at least are going to the United States. Here again we are but hewers of wood and drawers of water, or drawers of moss, in this case.

I should like to know from the hon. member for Gloucester (Mr. Breau) who introduced this bill, first—he tells us that the head office is in Montreal—who are the shareholders and is this a Canadian company. I should like to see an end to the exploitation of our resources by foreigners, and such information would be very useful to the whole house.

I am well aware that 70 employees have earned $199,930. But again, they are only water bearers. We would prefer the directors to be some of our own people. This is the information that I want. Further, they are Americans operating this company in New Brunswick. I would prefer it if we passed a

law in order to keep in Canada 51 per cent of the shares.

I am asking for this information in order that the debate may continue its normal course. I do not have any objection if this can be useful to our people, but personally, I want an answer to my questions.

Mr. Breau: Mr. Speaker, I am pleased to answer the question asked by the hon. member for Frontenac. The shareholders—

The Acting Speaker (Mr. Béchard): Order, please. Does the hon. member for Gloucester merely want to answer the question asked by the hon. member for Frontenac? Otherwise, if he speaks now, he will close the debate.

Mr. Breau: I will answer that question, Mr. Speaker.

The shareholders are all Canadians and the capital stock of this company is entirely Canadian-owned.

[*English*]

• (6:10 p.m.)

Motion agreed to, bill read the second time and referred to the standing committee on miscellaneous private bills.

PUBLIC SERVICE STAFF RELATIONS ACT

DESIGNATED EMPLOYEES—EXTENSION OF PROHIBITION OF RIGHT TO STRIKE

Mr. Warren Allmand (Notre-Dame-de-Grâce) moved the second reading of Bill No. C-4, to amend the Public Service Staff Relations Act.

He said: Mr. Speaker, when I prepared this bill I did not realize it would come up so quickly. As a matter of fact, I was speaking with the hon. member who is sponsoring the bill before mine on the order paper and I thought he was ready to proceed. I would have liked to have more time but in the circumstances I will proceed anyway.

I might also say that when I filed this bill I did not know I would have the luck to have it drawn so near to the top of the list. I thought it might come up for debate after the Woods commission had reported, but it came up near the top of the draw and the Woods commission is not expected to report until later in the year.

This bill, which proposes changes in the Public Service Staff Relations Act, aims to prevent strikes in the public service where certain public services are essential to the national economy. Section 79 of the Public Service Staff Relations Act sets out the way in which designated employees are determined. At present that act prohibits the right to strike to designated employees, and designated employees are those:

> —whose duties consist in whole or in part of duties the performance of which at any particular time or after any specified period of time is or will be necessary in the interest of the safety or security of the public.

In other words, Mr. Speaker, when parliament passed that act in 1966 it agreed that the right to strike should be limited. It agreed that the right to strike, although it is an important right in a democratic society, was not unlimited and could come into conflict with the public interest. At that time it decided to draw the line at those employees whose duties consisted in protecting the public safety or security.

My proposed amendment would enlarge the area of designated employees. If adopted, designated employees would include not only those whose services are necessary in the interest of the safety or security of the public but also public service employees whose duties consist of services essential to the functioning of the national economy and without which Canada's national and international trade would be seriously impaired. These employees are not defined specifically in my bill, nor are those whose services are considered essential for safety and security.

Under the Public Service Staff Relations Act, when a union asks for certification the public service board first determines whether the employees involved fall within the category of those whose services are necessary for safety and security. Under my amendment it would also have to determine whether the employees concerned fulfil services which are essential to the functioning of the national economy.

What I am doing is not proposing that we take away the right to strike from public servants generally but that we extend the area of designated employees that already exists in the act so that those employees whose services are necessary for the national economy would be considered designated employees, something which would be determined by the board in the same way as the board now makes its determination with respect to other designated employees.

It is my opinion, and the opinion of many other people in this country, that although the right to strike is an essential right in a democratic society it, like all other rights, is

not unlimited. All rights can be abused. In civil law we have the theory of "abuse of rights". We also have a principle of democratic society that no private interest should prevail over public interest, over what is good for the public as a whole. When we passed the act in 1966 we accepted that principle and we decided we should have a category of designated employees. Therefore when I voted for the act in 1966 I was convinced at that time that the definition of designated employees in it would be sufficient to protect the public interest.

I was not a member of the committee which studied that matter, although I was very interested in it. As all hon. members know, it is not possible for one to participate in all the committees of the house. At that time I was a member of the consumer affairs committee. It was very active and I could not attend the hearings of both committees. I had to rely on the report that was brought down by the committee dealing with the Public Service Staff Relations Act, which included the present definition of designated employees. Although there was doubt in my mind at that time I voted for the act because I felt that the definition of designated employees would cover all situations necessary to protect the public interest.

All hon. members know that there are many instances where we have to restrict rights, not because it is good but because it is the lesser of two evils. I think this is such a situation right here. I am not dogmatic about this solution, but I say it is in the interest of the public to provide protection against crippling strikes when the public has no means of bargaining and where the employer and the employee, because they cannot reach an agreement, not only hurt themselves in their bargaining process but also to a greater extent hurt the public and may damage the public interest on a long term basis. That interest of the public is paramount, and although the right to strike is a good, desirable right it has to be restricted in certain instances where it produces one of those situations in which you have to chose between the lesser of two evils, the two evils being the abuse of the public interest and the curtailment of the right to strike. As between those two evils, curtailment of the right to strike and abuse of the public interest, we have to draw the line in certain cases, and I propose that we move the line a little farther over than it is at present.

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

Mr. Allmand: Yes.

Mr. Peters: Just for my edification, would he indicate what event has happened since the act was passed that has brought about this change of mind?

• (6:20 p.m.)

Mr. Allmand: There has been a considerable increase in the number of strikes in the public area. There was the postal strike this summer in respect of which I believe this type of provision might apply. As I say, however, the decision on this would be one for the public service board. Later I shall quote figures to show that the number of strikes in the public area has increased considerably.

Mr. Peters: The hon. member mentioned the postal strike. Would this apply to all the people who were involved in that strike?

Mr. Allmand: No, I do not think it would. There might be employees in any department, for instance, who might be involved in providing safety and security, but not all the employees in the department would be so involved. In other words, it would be a matter for the public service board to determine just as it is now a matter for it to determine. As I have mentioned, in making this proposal I am not suggesting a new principle. The principle already exists in the law. It is just a matter of carrying the principle a little farther because I believe that the present definition in the act is not satisfactory.

During the summer months when we had several strikes in the public area some people called me stating that all strikes in the public service should be outlawed. I cannot agree with that. I feel there are many areas in the public service where a strike would not hurt the public interest. For example, if the employees of the National Film Board, the C.B.C. or many of the civil servants working in more traditional departments went on strike this might not affect the national economy and therefore would not be against the public interest. However, there are areas in respect of which the public service board must be able to determine whether or not the employees should be allowed to strike.

I have mentioned a few areas in the public service where I did not think a strike would be contrary to the public interest and would not harm anyone. Even though the liquor

strike in Quebec at the present time is serious and many people are hurt by it, I would not consider this strike to be contrary to the national economic interest of Quebec or the society in which the Quebec liquor board operates, although it has caused a good deal of harm.

On the other hand, however, there are areas in which no one would question that the right to strike should not be allowed. I have in mind police departments, fire departments, the army, and so on. In the middle there are many types of public employee who might be considered to be in a grey area, such as the postal workers, transportation employees, hospital employees, teachers and others. These are areas in which there is a complex question as to whether or not the right to strike should be allowed.

I would hesitate to suggest that we should name in the statutes certain classes of employees. I believe all we can do is set out the principle of the designated employee approach. I think this is the correct approach. The matter is left to the public service board to determine one way or another whether any class of employee falls under the definition. The solution of arbitration as under the present act, of course, is not a perfect one. But in a situation where a strike is very harmful I believe it is the lesser of two evils.

In arbitration a good judgment may be produced, one in respect of which both parties may agree, or there may be a judgment in respect of which one party is satisfied and not the other. On the other hand, I think more is served in the long run by having good arbitration procedures than is served by allowing a strike to continue for a long period with no arbitration procedures or other solution. I have here an editorial from the Montreal *Star* in which the question of arbitration is discussed. It deals with the recommendations of the Rand report in the province of Ontario. I must say that although I support some of the recommendations in that report I do not support all of them. In commenting on the Rand report the editorial in the Montreal *Star* of September 7, 1968 states:

> A major argument against the creation of the industrial tribunal is that it would be impossible to find the kind of super-geniuses the commissioner envisages for this role. He speaks of tribunal members who would have training and education in political science, economics, sociology, psychology, labour relations, philosophy and history, as well as experience in labour law. This demanding list of qualifications is a correct evaluation of the complexities involved in industrial relations. But there is a shortage of Messiahs who could fulfil such a role.

The *Star* editorial is suggesting, in other words, that the type of man necessary to bring about just decisions under compulsory arbitration is not available and because he is not available, therefore we should not have this type of thing. Again I return to the argument I put forward before. In no forum in which we settle disputes are there perfect arbitrators. Even the judges of the Supreme Court of Canada are not perfect men; they are not Messiahs. The men who settle arbitration matters are not Messiahs.

There are situations where a man owns property and the state decides that that property is necessary in the public interest. In this situation the state offers a certain sum of money to the person who owns the property and if that person refuses that sum of money the bargaining is not continued until a price is arrived at. In this type of situation the feeling is that the public interest is paramount and boards are set up to decide what the price should be. A decision is arrived at by the board. The decision may not always be a perfect one. Sometimes the state may not be satisfied. It may feel that the board has granted too great an award for this property. On the other hand, the citizen may feel aggrieved. This situation is felt to be the lesser evil compared with allowing the bargaining process to continue, especially when the public interest is involved.

In answer to the editorial in the *Star* we say, of course, that there are no perfect judges or arbitrators and there are no perfect members in this parliament. Although we have passed and shall pass laws in this parliament which are not perfect they are the best attempt to deal with certain problems. In areas in which the public interest is involved we must have a system for stopping strikes which are against the public interest. The hon. member for Trois-Rivières (Mr. Mongrain), as reported at page 365 of *Hansard*, delivered a very good speech during the throne speech debate in which he referred to this very subject. He quoted part of a statement made by Walter Reuther, the prominent United States labour leader. The hon. member for Trois-Rivières quoted Mr. Reuther as having said:

> It is high time the unions stopped settling their problems at the expense of the community. It is time also for governments to give them such means of settling their problems which will allow them not to depend on strikes alone.

Later in his speech the hon. member quoted figures in respect of strikes in Canada over the last few years. He stated that in 1962 Canada had 290 strikes, that in 1963 we had 318 strikes and in 1964 we had 327 strikes.

• (6:30 p.m.)

Mr. Speaker: Order, please. I must interrupt the hon. member to bring to the attention of the house that his time has expired, and determine whether it is the wish of the house that he be allowed to continue beyond his allocation.

Mr. Knowles (Winnipeg North Centre): Give him another five minutes.

Some hon. Members: Agreed.

Mr. Allmand: Mr. Speaker and members of the house, I have been looking at the clock but I was a bit confused. There was a private bill before public bills and I was under the impression that my time ended at 25 minutes to 7.

Let me conclude by stating that such a system will not only relieve hardships to the public, but also certain hardships to the workers. A survey was made among the liquor workers of Quebec during the present liquor strike which revealed that 80 per cent of them want to return to work, and a quick settlement to the dispute.

Let me say also that compulsory arbitration does not necessarily mean an unjust settlement. If we have properly trained arbitrators, although they may never be perfect, I suggest that, in comparison, we can have settlements that in the long run will be much more fair and just than the settlements following most of our strikes.

It is not my belief that the solution I put forward in this bill is a perfect one, and I am not dogmatic about it. I understand the Woods report will be presented later this year. I hope it will bring forward solutions to strikes in the public interest which will protect the public but still maintain that right to strike. I hope this can be done in such a way that, although we accept the right to strike as a general principle, the paramount interest will still be that of the public.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise to oppose the second reading of this bill. I must say, in fact, I am a bit surprised that such a bill is being introduced by a member of the Liberal party, a member who was here during the last parliament when the government which he supports brought in the legislation which is now known as the Public Service Staff Relations Act.

In taking this position I do not stand here to say that I like strikes or want strikes to take place, either in the public or the private sector. I do suggest there are worse things than strikes and I would hate to see in Canada that kind of society in which workers were denied the right to withdraw their labour if they are not satisfied with the conditions that obtain. In other words, I would hate to see an arbitrary—I might as well use the word—slave state situation, which our society would become if the workers could be told arbitrarily that they must work, regardless of the conditions under which they are employed.

Mr. Allmand: May I ask the hon. member a question? Does he approve of the present areas of the act which apply to designated employees?

Mr. Knowles (Winnipeg North Centre): I was coming to that point. I appreciate what the hon. member for Notre-Dame-de-Grace (Mr. Allmand) has in mind. Although he was a member of the last parliament he was not a member of the committee which went over this bill very thoroughly. I happened to have that privilege, and I am fairly familiar with its terms and the kind of discussion that went into the final decision as to what its terms would be.

As the Minister of Labour (Mr. Mackasey) will recognize, the final draft in respect of this area was not precisely what was proposed in the first place. Let me go back behind what the hon. member for Notre-Dame-de-Grace was saying, and point out that initially the government said that it was bringing in a bill which would give civil servants the right to strike. When we got the bill we discovered that it was not quite that blank a cheque. On the contrary the right was circumscribed even before we reached the point the hon. member has mentioned. We amended the original provisions so I need not go into all the details, but the way the legislation now reads it provides that a bargaining unit has initially the right to choose between following a course which leads eventually to the right to strike, or to choose to follow a course which leads to arbitration without any right to strike.

I think one of the advantages of a committee was demonstrated in that we got that

part of it improved. The original government draft made it necessary for the bargaining unit to make its decision very early in the process, and the decision was binding for quite a long period of time. I forget the exact period but it was binding for longer then we thought necessary.

The government agreed with arguments put forward that this needed to be modified. Thus as it now stands the bargaining unit does not have to make its choice until it gives notice to bargain, and, having made a choice, it applies only for the life of that particular agreement. We think this is an improvement, and I am glad to see the Minister of Labour nodding his head to confirm that the position is as I have stated it.

Thus a bargaining unit of the civil servants has a free choice. It can choose a course that leads to the right to strike or it can choose a course that leads to arbitration. If it chooses the second, it rules itself out of the right to strike at least for that round of collective bargaining.

We went a bit further. We provided that even in the case of those civil servants who elected at the proper time to follow a course that would include the right to strike, that right is limited by a section which says that the unit or the employees in the unit still cannot have that right to strike if their services are such that this would endanger the safety or security of the public.

Let me tell my hon. friend that there were those on the committee who wanted that section worded more broadly or more narrowly, depending on one's point of view. They wanted to put in the general phrase "in the public interest". We in the committee were able to make the point that if you talked about the public interest, the expression is so wide you would remove from everybody the right to strike. So we narrowed it to the terms that are now there. The only people who are denied the right to strike are those whose services are important to the safety or security of the public.

I suggest that Canada is still carrying on, in spite of the strikes we had this past summer. It is good to know, however, that freedom of collective bargaining in labour relations in Canada remains unimpaired. Some of my labour friends might not agree that it has not been impaired to some extent. Generally speaking, however, we still have what we had, and I think this is worth the price we pay in having a few strikes, such as those of the past summer.

The hon. member mentioned strikes in the public area, and I know he is quite interested in the strike that affected the seaway. It is my understanding that the tonnage on the seaway this season will be greater than it was last season, in spite of the strike that took place this year. Statements have been made regarding the grain handlers strike, to the effect that no commitments were lost and that our trade was not really jeopardized. I suggest that the frightening things said about strikes do not always materialize, and that we do have to set over against the harm caused by strikes, the gains that we achieve by maintaining a free society, a free economy, and the right to free collective bargaining.

The hon. member for Notre-Dame-de-Grace said he is not against the right to strike but that he wants to balance things. He said further that he is not introducing any new principle in this bill. Let me say to him as strongly as I can that I think this is a dishonest bill. I think this bill actually takes away from our civil servants, once and for all, the right to strike which, within certain limitations, the act has given to them. I have indicated that it is limited already.

Mr. Francis: May I ask the hon. member a question in respect of that remark?

Mr. Knowles (Winnipeg North Centre): Yes.

• (6:40 p.m.)

Mr. Francis: Surely the bill would not take away permanently the right to strike, but it would be purely for the life of an agreement as such, as related to the other sections?

Mr. Knowles (Winnipeg North Centre): I suggest, Mr. Speaker, that the hon. member for Ottawa West (Mr. Francis) read the bill a little more carefully. Remember that already, because civil servants have to make the choice, some deny themselves the right to strike. Remember that for the others this right is, of course, during the term of the collective agreement; but it is provided in the legislation that there cannot be a strike of the unit as a whole, or employees in that unit, if they are involved in work that concerns the safety and security of the public.

If the public service staff relations board had the instruction proposed in this bill, they would say, "There can be no strike because the employees concerned are engaged in work that concerns the safety or security of

the public." But they would also have to say this if the employees' duties consisted of performing services essential to the functioning of the national economy and without which Canada's national or international trade would be seriously impaired. If our public servants are not engaged in work that is essential to the functioning of the national economy, what are we paying them for? All our public servants are engaged in performing services that are essential to our national economy directly or indirectly, and many of them are engaged in performing services that affect Canada's national or international trade.

That is why I say that if you gave the public service staff relations board that kind of instruction, you would be saying to the board, "Take away from all our public servants the right to strike", which was given by the legislation itself. That is why I use a word that is perhaps a little stronger than those I sometimes use with regard to private members bills: I think this bill is dishonest. I think that if the hon. member wants to take away from public servants the right to strike, the bill should be amended in such a way that this is done categorically, and not in this indirect way which has the same effect.

Therefore I think this bill should not be given second reading by the house. I hope we will hear members on the government side speak on this question. I am interested in the attention the Minister of Labour (Mr. Mackasey) has been paying to the previous speaker and to me. I suppose it is too much to hope that we will hear from him on this subject, but I hope we will. He said some pretty good things about this right when he was handling a couple of strikes with which he had to deal during the first few weeks he was Minister of Labour. But I hope he will agree with me in particular that this legislation has not yet had enough of a trial for us to make this kind of change.

As a matter of fact, this is one of the things some of us were complaining about last summer when the postal workers were on strike. A great many people, including many members on the government side, said this was a right they should have. Then they said we must take it away from them. The same people who a year before were boasting of the fact that we were giving them the right to strike, the first time these people exercised that right said it must be taken away.

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

Mr. Knowles (Winnipeg North Centre): Yes.

Mr. Allmand: The hon. member said my amendment was dishonest because it in fact tried to take away the right to strike. But does he not think the words in the bill would not have this effect? I refer to the words "national or international trade would be seriously impaired". Does the hon. member not think that these words contradict what he says? In other words, this provision would apply to those civil servants whose duties were necessary to the economy, and when you add the words "Canada's national or international trade would be seriously impaired", does the hon. member not think this contradicts what he has said?

Mr. Knowles (Winnipeg North Centre): No, Mr. Speaker, I do not. I am glad the hon. member has quoted me correctly in saying that I think his bill is dishonest, not the author of the bill. You do not modify it by putting in the words "seriously impaired". Remember, of course, that the only people who strike are those who can cause some inconvenience, some dislocation; otherwise there is no point in striking. The strike is part of the process of employees trying to get better wages or working conditions. I suggest in practical terms that any group of public servants who tried to strike under the provisions of the law as it now stands would, if this phrase were included in the law, be met by a board that would have to say, "The work you are doing affects the national economy".

You can say that about any group. This provision would apply to all those whose work affects the national economy or Canada's national or international trade. It does not have to be both; it is "national or international". I do not know how you would define "national trade", but I suppose it means the general trade and commerce that goes on in the country. Certainly the postal workers would have been affected by this provision, as would the grain handlers and the seaway workers. This would also apply to all those classes of public servants who are likely to exercise the right to strike. I am not implying that all these people I have talked about are public servants, but any of them likely to strike would come up against the provisions of this prohibition that the hon. member would seek to write into the legislation.

I agree with the hon. member and all those who say we should find a better way than the strike as a means of solving labour difficulties. But I think those who say we should come up with a better way have an obligation to produce that better way before they take away the one we now have. Arbitration boards have not yet proven to me that theirs is a better way. Perhaps in a few years we will have had some experience in the public service—and mainly that is what we are dealing with here—both ways, because some bargaining units have elected the right to strike and some have elected arbitration. Perhaps we will have some experience and can obtain some advice as to which way to move. But at the moment, until some better way is produced—not just called for, argued for, not just statements that there should be a better way—I do not think it does any service to labour relations in this country generally, and I certainly do not think it does a service to labour relations in the public service, for this kind of legislation to be brought before this house.

It took a long, long time for us to get a government of this country to bring in the kind of legislation that was put into effect during the last parliament. We gave it our endorsation. We should like to have made further changes in it, we would like it to have been even better. But I make no qualification now; it was good legislation. Our public servants are trying to live with that legislation and work it out. They are finding some difficulties with it. But I suggest that at this stage, to say that clamps should be put on it and that certain rights given to our public servants should be taken away is a disservice to the cause of good relations between our public servants and their employees, the government and people of Canada.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, I have listened with a good deal of interest to the speeches that have preceded mine in this debate. I had the privilege of serving in this house in a previous parliament when the first steps were taken toward collective bargaining in the public service. The report of the preparatory committee, to which reference has been made, was certainly one of the basic documents upon which the legislation which is now enacted was eventually constructed.

I know that the joint committee, which held extensive hearings, weighed long and carefully these sections of the act before the decision was made to incorporate them in the form which has been described. The government of Canada—and I have listened with interest to my hon. friend on the other side—and many members on this side of the house took an active and conscientious interest in promoting what he himself described as a good piece of legislation.

Many members on this side of the house were very much concerned that the government of Canada should act as a good employer. They decided after very careful review that the right to strike should be generally permitted and an exception should be made where very definite reference was made to the safety or security of the people of Canada.

• (6:50 p.m.)

May I say with the greatest respect to my colleague who introduced this piece of legislation that I do not share his views. I do feel it is important that the legislation which has been introduced should be given a fair period of trial. This it has not had. We are in a formative stage. The very preliminary phases of certification are not completed. There is no question that the process of conclusion of collective bargaining agreements will be a time-consuming one which, I am confident, will bring an entirely different spirit and atmosphere in the public service of this country. I am very reluctant to see anything done at this stage which would disturb what is now being undertaken.

Like other members of this house, this summer I received a number of representations from my constituents. There are those who believe that the postal workers should not have had the right to strike. They argued—and I received a volume of correspondence in this vein—that the right should be proscribed by legislation, and that amendments should be introduced immediately in the house which would have that effect.

There are things that are worse than strikes on occasion. There is no assurance that laws which will prohibit the right to strike will be observed simply because they are laws. During the war when there was a grave danger to national survival we had strikes. Even the severest penalties did not deter men and women under certain conditions from withholding their services on the labour market. Strikes are not always economic strikes, and in general only in economic strikes is the legislation fully protective.

There are many other factors behind a strike, and if I may be so bold as to suggest, the strike of postal workers which took place this summer had more to it than met the eye. Behind it was a struggle of groups for leadership of the union, and the rise to the top of one section of the union whose conduct in a previous strike in 1965 had had a singular impact on certain members of the union. There was the question of the relationship of different groups whose prestige was at stake. I do not believe that a simple prohibition of the right to strike would have assured Canadians that there would have been no strike. But I was very proud of the record of the government of the day, and I am sure hon. members on the other side, and particularly the hon. member who preceded me in this debate, would agree that the conduct of the Prime Minister (Mr. Trudeau) and of the Minister of Labour (Mr. Mackasey) in this strike was one of which all Liberal members are proud.

The right to strike was not impaired by precipitous or ill considered action. We regretted the strike very much and it cost many Canadians a price which they could ill afford. However, the strike was eventually resolved within the framework of collective bargaining.

I am one of those who believe that collective bargaining is the best way to resolve these matters. It is sometimes rough, and sometimes irresponsible parties abuse it by resorting to strikes that are ill advised. But the best discipline against it is the discipline of the members of the organization when they realize that they do a disservice to everyone concerned when they resort to a strike which cannot be justified.

Nor do I have that much confidence in the conduct of arbitration boards. The government of this country has had a grave responsibility in setting some kind of pattern which would halt the progress of inflation. A pattern as close as possible to 15 or 16 per cent was indicated as highly desirable. I am not certain that the use of arbitration would have been consistent with the patterns of stability which the government was seeking. There are instances of awards of arbitration boards which have been in excess of the guide lines the government was trying to develop on a voluntary basis. Nor do I have confidence—and the mover of the bill indicated he also had some reservations—that the sort of persons who are chosen to do this farsighted job of applying arbitration and mediation services have those great talents to judge all the facts which are involved in the circumstances. This calls for skills which very few people possess, and I do not believe that arbitration itself is any guarantee that the other objectives which the government of the day must pursue can be found.

I hope that this bill will receive a long and careful examination by members of this house before it is enacted into legislation.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to make a few comments on Bill No. C-4, to amend the Public Service Staff Relations Act.

One could consider, as an example, a situation where an individual comes to us. Two things can happen to him. Most probably he will be taken ill once in his lifetime. Do we have to wait until then to cure him by using a lancet or should we try preventive treatment? If one applies this example to Bill No. C-4, this measure seems to be the lancet solution rather than preventive treatment of our labour problems. I do not think that giving or withdrawing the right to strike will solve a problem. That would be taking one step forward and one step backward, but it would be better and more responsible to introduce positive measures.

Preventive medicine, Mr. Speaker, applied to labour relations, is a good solution to which we should turn as soon as possible, in the public service as in industry.

Preventive medicine maintains the human machine in good condition, just as regular maintenance does for equipment. What has been provided for to minimize the effects, for instance, of labour conflicts, or disputes in the public service? Almost nothing. That is why preventive clinics should be set up or, if you wish, advisory groups to establish contacts between the various parties, in order to know what grievances have been submitted, and compulsory arbitration resorted to, but not just any arbitration. Then it would not be necessary to go on strike; the security of the state would be protected, and workers, public servants and employees could still be heard.

Mr. Speaker, if we refer to one of the briefs of the Labour Congress—

Mr. Speaker: Order. I am sorry but I must advise the member that the hour appointed

for the consideration of private members business has now expired.

[*English*]

At seven o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

The house resumed consideration in committee of the following resolution—Mr. Olson—Mr. Faulkner in the chair:

That it is expedient to introduce a measure to amend the Farm Credit Act to broaden the classes of persons eligible for loans under the act; to increase the amount of the capital of the Farm Credit Corporation; to substitute for the present rates of interest on loans made under the act (except any such loans made pursuant to applications received by the corporation before September 13, 1968) such rate or rates of interest on any loans made after the coming into force of the said measure as may be prescribed by the governor in council; to provide further for certain changes in connection with the administration of the act and for other matters related or incidental thereto.

Mr. Burton: Mr. Chairman, if I may continue the remarks I was making before the private members hour, there are some broader questions involving credit that I should like to discuss briefly. One of these, which has already been raised in this debate is, what is the effect of credit? No one will argue that the legislation we have had in Canada over the past number of years has not done a lot of good. This legislation has certainly filled some of the yawning gaps that existed in the credit field some years ago. To the extent this has facilitated land transfers, it is really a case of more money chasing the same amount of resources. In so far as this brings about the consolidation of uneconomic farm units, it has produced more efficient farms and has improved over-all productivity. It certainly has helped individual farmers, but it has also contributed to the inflation of land prices. In fact, land prices are skyrocketing in many parts of Canada, and they continue to go up.

I feel I have to take issue with one statement the minister made last night. He is recorded in *Hansard* at page 600 as stating:

—unrealistic interest rates tend to cause misallocation of resources, and in particular terms any savings as a result of a subsidized interest rate on capital borrowed for the purpose of land could make the cost of the land excessively inflationary.

[Mr. Speaker.]

This is, to some extent I suppose, a textbook discussion of the subject. I should like to suggest to the minister that the fact an individual had reasonable interest rates for farm credit over the last number of years has not really contributed to the inflationary spiral of land prices. I should like to suggest that farm needs, technological changes and the availability of credit rather than the cost of credit have, in fact, influenced the initial decisions made by farmers to take advantage of the credit available. Of course we, in our group, are arguing that this does have very significant effects on future costs for farmers. However, I feel it is still true to say that, in many respects, our farmers have no choice but to take advantage of much of the credit that has been available. There is still a good deal of the "next year" philosophy present in farm circles.

The Farm Improvement Loans Act has helped the farmer in the purchase of farm machinery—that is as long as the banks would lend money. The purchase of machinery and equipment generally does improve productivity; but in a situation where machine companies are allowed to set prices on the basis of market forces—and I think it has to be acknowledged that they have had, in some respect at least, something of a monopoly situation—the prices of machinery are bound to go up. The farmer has no choice, really, but to pay the shot if he is going to stay in business. The result has been that the farmer has been caught in this vicious cost-price squeeze. We have had static prices and rising costs. Thus, in spite of higher productivity, farmers have been at a disadvantage. We have had higher costs and lower returns which, in turn, have forced many of our farmers to expand. The only way out of the situation in which they found themselves was the use of larger machinery to carry on their operation. In some cases, after such machinery has been obtained it has been found, as a result of the cost-price spiral, that more land was needed in order to make use of the machinery economic. So, the vicious spiral continues.

Many farmers today are asking if it is necessary for each generation to buy out and repurchase the land they require for their farming operations. It seems to me that some of these problems need to be examined. The government established the Barber commission to investigate farm machinery prices. According to latest information, this report will not be available for some time. In the

meantime farmers need machinery. At the moment, they are at the mercy of the machinery companies. If the government is really going to help farmers, they should take action to halt rising machine prices until longer run measures can be developed.

Last winter, Mr. Chairman, in western Canada we heard rumblings from Ottawa that farm credit legislation was receiving a long hard look. This raised the hopes of many people in the west that some new answers would be forthcoming. What happened? On the basis of what we see on the order paper, there are some housekeeping amendments; there is more of what we have had. We are throwing the farmer to the tender mercies of the market, as evidenced by the proposal in respect of interest rates. We do not have a comprehensive approach with regard to credit.

In this regard, it is disappointing to find that we have not tied in the total situation facing agriculture, involving both commercial farms and what might be defined as non-commercial farms. The approach of some people is, of course, that we have to get rid of non-commercial farms. I feel this is a false approach because there are many of these farms that could be helped to achieve an efficient and worthwhile economic status. Essentially, what we need is a different kind of credit for commercial and non-commercial operations. The present program is essentially helping commercial farmers. I feel we do need to have a look at other types of credit that will help what we might define as non-commercial farms.

In addition, we also have the situation facing young farmers which has been dealt with by some of the preceding speakers in this debate. The hon. member for Saskatoon-Biggar has said we must consider the social consequences of what kind of rural community we are building and helping to encourage by the legislation before us. It is for this reason we need a comprehensive approach toward all aspects of credit needs. I think this makes good economic sense. It makes good social sense.

If this government is really dedicated to priorities, then it must come up with more than what is now on the order paper. No one will quarrel with the claim that the immediate needs have been brought to a crisis point by the dilly-dallying of the Liberal government. However, there is no indication in the legislation, except for one small reference in the minister's remarks, that the government is looking beyond the immediate, usual, typical, crisis needs. I hope that this attitude will be forthcoming and that we will have a more comprehensive look at the situation. I urge that the agriculture committee should hold hearings, both in respect of the present legislation and the longer run aspects of farm credit programs, in order that we can better establish the type of credit that is needed and also establish the relationship of credit programs to other farm policies and programs. In this committee, we would bring together specialists and experts, information and experience available in Canada and elsewhere and undertake a thorough study of farmer's needs, in order to arrive at an adequate, sound and far reaching credit program.

• (8:10 p.m.)

Mr. Olson: Mr. Chairman, I want to thank hon. members for their advice—I may say some very constructive advice—in relation to the three resolutions that are before this committee by agreement. I think I should try to answer briefly some of the comments that have been made. I know hon. members cannot discuss the provisions of the bill in detail because they have not yet seen them. However, the bills are ready, and as soon as the resolutions are passed obviously they will be brought on. At that time perhaps a much more specific and intelligent discussion of the provisions of the bills can take place. I tried in my opening remarks to deal briefly and yet fairly comprehensively with the general idea behind the amendments; but, of course, the actual bills themselves will be more helpful to hon. members.

May I now reply briefly to some of the comments that have been made. The hon. member for Regina East who has just taken his seat took a very constructive approach to the whole question of farm credit. He complained that it was not tied to three particular aspects of farm policy—orderly marketing machinery, subsidized interest rates, and that sort of thing. May I remind him that these bills contain amendments to our farm credit acts. It is not the government's intention that these three bills be a complete revision of all our agricultural policies within the ambit of the three suggestions the hon. member made.

The hon. member also said, as a positive statement, that land prices were skyrocketing, that the interest rate was not causing this but that the availability of credit was

the major factor. With that I agree, Mr. Chairman. One of the reasons the interest rate charged by the Farm Credit Corporation ought to move with the market is that in fact there is a distortion or artificial dislocation of the use of these funds if the rate is substantially lower than the market rate. This has the effect of inflating land prices, depending on the amount available. This is a simple economic fact with which I am sure all hon. members agree.

The hon. member also suggested that the agriculture committee—I presume he means the standing committee of this house—ought to take a look at the whole farm credit picture, its programs and policies. I have no objection at all to this, Mr. Chairman. As soon as the agriculture committee is constituted it may take up this task. The report of the Farm Credit Corporation, or any of the others could be referred to the standing committee so that that committee can go into the matter.

Several hon. members mentioned that they would like to see one or more of these bills referred to the standing committee. I thought I explained rather clearly at the outset that there just is not time. The Farm Improvement Loans Act amendments are needed now. The farmers have been denied facilities provided under this act. First of all, the act expired on June 30; but even more important, the effective operation of it expired long before that, owing to the fact that the interest rate was fixed at a statutory limit which was insufficiently attractive to the banks. Consequently they would make no loans.

What the government is now asking is to amend the act so that it will again become operative at a rate of interest that will attract the co-operation of the lenders, in this case the banks. We have also said we would be prepared to guarantee loans by other financial institutions, provided they met the conditions.

The hon. member for Meadow Lake also suggested that the F.C.C. amendments should go to committee. Another problem here, Mr. Chairman, is this: The capitalization of the Farm Credit Corporation is presently $40 million. As I explained, this allows us to lend up to $1 billion. Almost all of that amount of money has now been lent by the corporation. This capitalization needs to be expanded so as to accommodate applications after the date this $1,040 million has been used up.

The hon. member also said that he would not accept the suggestion that the interest rate be turned over to a board. In other words, he would not agree to a board setting the interest rate. The resolution makes very clear that the interest rate is not going to be set by a board, but will be set from time to time by the governor in council.

Mr. Nesbitt: That will be worse.

Mr. Olson: Mr. Chairman, it may be worse in some opinions, but I must remind hon. gentlemen of the opposition that on June 25 the people of Canada decided who was going to make the laws of this country.

Some hon. Members: Oh, oh.

Mr. Olson: Hon. gentlemen opposite, who have been reduced in number from 96 to 72, I think it is, ought to have got the message by this time.

Mr. Harkness: You might remember that you still represent a minority.

Mr. Olson: If the hon. gentleman for Calgary Centre does not like the terms of the elections act, then I suggest he make representations to the appropriate committee and see whether he can get the act changed. I think the ballots were added up in the proper way, Mr. Chairman, and you know what was the result.

Mr. Harkness: You are just bringing in a red herring. I merely reminded you that you represent a minority of the people of Canada.

Mr. Olson: Mr. Chairman, I suggest that any party that gets more members in this house than any other party has the right under the traditions of this country to form the government.

The hon. member for Frontenac wondered whether or not broadening the classes of people who would be eligible to borrow under the F.C.C. act would result in corporations controlling what he referred to as full parishes, as far as agriculture is concerned. I should like him to know that we are broadening the base so that family corporations, of which there is an increasing number in farming, as well as co-operatives would be eligible to make application. However, this particular aspect of the legislation will be confined to farmers who are actually farming.

The hon. member for Battleford-Kindersley made a number of suggestions. He wanted to be assured that no loan company would be included under the F.I.L. act unless it was

familiar with agricultural operations. I do not know exactly what the hon. member means by this. If he is suggesting that there should be some restrictions so that these companies could not over-extend the amount of a loan to the point where the farmer could not pay it back, then I do not think this is really a big problem. The problem we are now having is to find financial institutions, be they banks or any other, which will lend farmers as much money as they want to borrow. Certain regulations, of course, in relation to government guaranteed loans will be laid down, and also I hope there will be an interest rate that is substantially lower than what might be called the competitive or commercial rate now in effect for this type of loan.

The hon. member also wanted some kind of means test incorporated into the F.C.C. legislation. According to my notes, he said that loans should be made only to those who need them the most. I am not entirely sure, Mr. Chairman, how this can be applied. The purpose of the Farm Credit Corporation was to finance the creation of economic farm units which would be able to pay their way, as well as return to the farmer a reasonable living.

• (8:20 p.m.)

If we were to prescribe a regulation of this kind in trying to set up economic farm units, no matter how good or how humanitarian the idea might be I am not sure it would be compatible with the economic considerations which we hope are not lost sight of in this act. The hon. member also suggested that the interest rate should be set by parliament and that the question should go before the standing committee. Well, I explained a few minutes ago that we needed to increase the capital of this corporation without delay, so that it could carry on its services to farmers.

The hon. member for Crowfoot complained that machinery sales, in western Canada particularly, had declined anywhere from 26 per cent to 34 per cent in Saskatchewan, and I agree that this is so. But it is well known that a large percentage of all farm machinery purchased prior to ten months ago was financed through the provisions of the Farm Improvement Loans Act, until interest rates elsewhere rose sharply and the banks stopped lending under this legislation. That is why we are here asking that the rate be changed so that it will again become attractive to the banks to make these loans.

My information is that machinery sales will increase as soon as this legislation is reactivated. Dozens of farmers have written to me asking when the new provisions might be expected, and they are delaying the purchase of machinery until that date because the rates offered them now by the banks and other institutions are as high as 10 or 12 per cent. We think there will be a marked reduction in the cost of these loans to farmers if the government guarantees are reinstated, resulting in rates substantially lower than those now being asked. The hon. member also urged that the subject of the Farm Credit Corporation be referred to the standing committee but, as I explained a few minutes ago, we need this increase in capital quickly.

The hon. member for Timiskaming claimed that the farm machinery syndicates were of little interest to the small farmer, but only to what he referred to as the Cadillac trade. I suggest to him that exactly the opposite is true, and this is borne out by our limited experience of the legislation. It has allowed groups of farmers to finance a Cadillac type of farm equipment which they could not otherwise afford to buy; a machine might be too big or too expensive for one individual to purchase but it could be bought through a syndicate in co-operation with other farmers.

Through this legislation credit facilities have been provided enabling small farmers to buy the type of machinery which "Cadillac farmers" could probably buy themselves as individuals. So I think the hon. member's argument is completely contrary to the spirit and purpose of the act. He also expressed his concern about the interest rate, and this is a theme which ran through most of the speeches made by hon. gentlemen opposite. I did not follow the gist of all he had to say, but it leads to the same argument again: The interest rate has to be set high enough to induce the banks and other lending institutions to support the act. At the same time, with a government guarantee they can lend at substantially lower rates than those now being charged for this kind of credit.

Mr. Horner: Would the minister permit a question? While he is dealing with farm syndicates would he mind outlining in detail the responsibility which each shareholder must accept under the new policy?

Mr. Olson: I am sure the hon. member is familiar with the provisions contained in the act at the present time. I hope he can be patient for a little while because I am ready

to bring on all these measures, now, and he can read the provisions in detail. He could then be given a complete explanation as to what those words mean. Even if he and I do not understand them completely, I shall have experts present at that stage who will.

Mr. Horner: I gather from that remark that the minister himself is not quite sure about them and wants the experts help him explain.

Mr. Olson: I wish to thank the hon. member for Lambton-Kent for his kindly opening remarks. He may disagree with parts of the several resolutions. However, I think he is in fundamental disagreement with the principles set forth by the hon. member for Kent-Essex, who seemed to think the government had the responsibility to move in and take over in connection with almost every farming activity—marketing, rates of interest and so on. The hon. member for Lambton-Kent thought we should let the banks carry on their traditional role in farm credit. He was wondering about the publication of the interest rates and the formula which should be used to calculate the interest rate from time to time. I am not sure I know just how often interest rates would be changed. The proposal is that they should be changed "from time to time" and that is the phrase used. But applicants would certainly know at the time they made their applications what the interest rate was to be, and there is no intention of changing the interest rates in connection with a signed contract.

Then the hon. member was worried lest some time in the future there should be a weak cabinet responsible for setting these interest rates. All I can say in response to that is that we must proceed on the assumption that all governments will be as strong and as resolute as the one we have today.

Some hon. Members: Hear, hear.

Mr. Olson: The hon. member for Lotbinière had something to say about potatoes and the fact that potatoes had to be destroyed before qualifying for payment at the rate of 1 cent a pound. I believe his criticism was directed toward the federal government as being responsible for these rules and regulations; but according to my inquiries this is a matter for the provincial government, and the hon. member will have to take this question up with the provincial authorities.

The hon. member went on to say there were many political and financial problems in the international arena. I do not disagree with this. We have to try to resolve these difficulties while facing the realities of the world situation as it is; we must do our best for the agricultural community while living with the policies set in the international market.

• (8:30 p.m.)

I was very happy to hear that he agrees with many of the amendments that have been suggested. I am also happy to note that he agrees that hon. members of this house ought to be co-operating to bring about as quickly as possible the improvements that have been proposed. I can assure him that it is our hope that the rate will be lower than 9 per cent or 10 per cent. If I understood him correctly he was apprehensive that the rate might go up to 9 per cent or 10 per cent. It is certainly my hope it will not be that high.

The hon. member for Saskatoon-Biggar claimed that all of the federal government farm credit acts and farm credit programs were not in a package. Indeed this series of resolutions and bills does not put all of the credit into one package, but I have to say to him that presenting these measures to the house in a package was a step in the right direction. We wanted to have a full debate without complaining about the rules of relevancy, dividing the debate into the various fields of farm improvement loans, the credit corporation and so on.

We believe that the Farm Improvement Loans Act is one of the easiest ways to provide credit for the purchase of machinery, and even of small portions of land, and the latter is contained in the resolution. Where there are larger amounts and longer terms involved we believe they are better handled under the Farm Credit Corporation and by the very competent field staff it has all over the country to supervise this lending.

I think the hon. member for Saskatoon-Biggar knows very well why the private lenders are not in this field. It is simply because of certain experiences they had 20 or 30 years ago, and that the service and the interest rates charged by the F.C.C. have been such that any private financial institution would not want to compete with them. I agree with him that there probably is room for some additional co-ordination, but we have to balance that with the fact that we need to get the F.I.L.A. under way as quickly as possible, together with the increase in the capital for the Farm Credit Corporation.

The hon. member was also worried about the problems of the banks and other institutions in having to set up field services and acquire a lot of additional supporting staff to make loans for land under the Farm Improvement Loans Act. At this point we do not have all the detail worked out, but I would like to advise him and other hon. members that we hope some kind of arrangement can be made so that the field services, the competent personnel of the F.C.C., could be made available in an advisory capacity to the banks and other financial institutions making loans for land under the Farm Improvement Loans Act, and which do not at this time have the assessors to give them advice on that point.

Turning now to the remarks of the hon. member for Kent-Essex, who was first and certainly shall not be last, he wanted the Farm Machinery Syndicates Credit Act sent to the standing committee on agriculture.

Mr. Danforth: The Farm Credit Corporation.

Mr. Olson: Well, I have to give him exactly the same answer I have given previously, that we need the amendments now and we do not have enough time to send it to the committee.

Mr. Korchinski: May I ask the minister a question?

Mr. Olson: I shall be finished in just a few minutes. There are other ways of having the committee undertake an investigation or study of farm credit. One is by referring the report of the Farm Credit Corporation to the committee. It would achieve essentially the same thing, and would not hold up the passage of the amending bill so that we can make the necessary changes.

The hon. member for Kent-Essex also said that we should not keep putting off decisions pending receipt of findings and recommendations from the task force. I want to say to him that we are not putting off decisions. We are moving ahead with a group of amendments that we think are useful and beneficial at this time, but we are not ruling out accepting some of the recommendations of the task force when it has had enough time to gather together the research projects it has initiated. We are moving now, and we will be prepared to move again on further amendments when the task force comes forth with its recommendations.

The hon. member also complained that there should be a fixed formula rather than a prescribed interest rate for the Farm Credit Corporation. If we set down a fixed rate such as the economic rate, I would remind him that the definition of an economic rate used to be 1 per cent above the amount that money costs the government, or the Farm Credit Corporation. I further suggest to him that a prescribed rate would be better than providing an economic rate in the act, because a prescribed rate provides the opportunity to change the rate from time to time, and it does not necessarily have to be 1 per cent above the cost of funds to the corporation.

Mr. Horner: What about one half of one per cent?

Mr. Olson: A prescribed rate could be that. It could be less than the Minister of Finance charges the corporation.

Mr. Horner: Are you prepared to argue that it should be less?

Mr. Olson: I suggest to the hon. member that it could be. A prescribed rate is a decision that is reached by the governor in council from time to time, and I think we need the kind of flexibility that would be embodied in a prescribed rate, rather than some fixed formula. Mr. Chairman, I simply wanted to answer some of the questions raised by hon. members in their speeches since I introduced these three resolutions. Again, in closing, I want to thank hon. members on both sides for being helpful in bringing their views to me with respect to farm credit.

Some hon. Members: Hear, hear.

Mr. Korchinski: Since the minister has indicated there is no time to take the Farm Credit Corporation before a committee I wish to ask him, according to the amount that is being lent at the present rate, how much time it will take to deplete the corporation's reserves?

Mr. Olson: My information is that under present capitalization we cannot extend more than $1,040 million, and that we are right about there now.

Mr. Korchinski: How long will it take before this is depleted? Will it be a month or two? Maybe three weeks would be all that would be necessary for the standing committee to finish its work.

Mr. Olson: Mr. Chairman, I have been around here for eight or nine years now and

I doubt if we could complete the study, in a standing committee, of a bill of such magnitude in a matter of three weeks. I would not like to risk the Farm Credit Corporation being placed in a position of having to turn away all applicants simply because the act was going through some process and we could not get it back into the house, amend it, and have it passed. I cannot tell the hon. member the exact date that the F.C.C. is going to run out of funds. All I know is that its commitments to date and the applications it has in now, even though all the applications have not been approved, exceeds the amount of the capitalization.

• (8:40 p.m.)

Mr. Horner: The minister suggested that after he was finished he would be glad to answer questions. In view of the necessity that the Farm Credit Corporation be granted more money, after having granted more money to the corporation would the minister refer the last annual report of the corporation, which would include of course the farm machinery syndicates credit bill, to the agriculture committee for study and advisement.

Mr. Olson: I do not know whether such a committee even exists at the moment. I do not know whether I would like to refer a report to a non-existent body. Because I have not been here all that long, I am not quite sure whether we can in fact refer such a report. I think perhaps the committee, to some extent, is its own master in that regard.

Mr. Horner: The minister did not understand my question. All I want from him is his assurance that he and the government are fully prepared to offer to the agriculture committee the annual report of the Farm Credit Corporation for a detailed study. If the committee should reject that offer, then that would be fine.

Mr. Olson: All the estimates are to go to the committees. I expect there is an item in the estimates which would cover the subject the hon. gentleman has in mind, and the exhaustive study the hon. gentleman wishes could be made at that time. It is obvious that the committees will be extremely busy, and therefore it would be difficult to give the undertaking the hon. gentleman desires because we do not wish to load up the committees with more work than perhaps they can do.

Mr. Horner: The committee members, who are farmers, are very industrious.

Mr. Olson: We will take the suggestion into consideration.

Mr. McCutcheon: Last evening I thought I had made a reasonable suggestion concerning a formula to arrive at interest rates. Would the minister tell me why this government appears to be unwilling or afraid to allow the light of day to enter into the procedure of establishing rates.

Mr. Olson: Mr. Chairman, this government does not take a position of preventing the light of day into anything. As soon as this resolution passes we will bring on the bill, and then hon. members will be in a position to see in considerably more detail what is contained in it. If the hon. member for Lambton-Kent has stated a precise formula for establishing rates, I must have missed it because I do not have a reference to it in my notes.

Mr. Horner: We will move the amendment.

[*Translation*]

Mr. La Salle: Mr. Chairman, now that I have the floor, I would like to express some views about such an important and controversial matter.

I am very happy to have heard the comments of the Minister of Agriculture (Mr. Olson) beforehand. I must say that I am not convinced of the value of the bill presented by the minister, and instead of trying to establish what priority must be given to finding institutions which will agree to lend money at an unknown interest rate, I feel that it is more important to examine the situation of the farming people and to find other ways to help them.

I would be in favour of looking for ways and means first to guarantee acceptable prices to all farmers and then to determine the possibilities of consumption of our production before thinking of imports.

I wonder whether the most important thing at the present time is to find lending means. Surely it is a worthy undertaking, but it is not a very brilliant measure in the present circumstances.

The bill broadens the classes of persons eligible for loans, and also broadens the purposes for which loans can be made. Those are things which I endorse in principle. However, when it comes to increasing loans from $15,000 to $25,000, when we consider that the rate

of 5 per cent was the maximum rate of interest payable by farmers and that we cannot guarantee a fixed rate for that extension of loans, I wonder how we, who committed ourselves to defending the farming class, who honestly undertook to find solutions to help them, could vote in favour of such a measure without denying our commitments.

Besides, I wonder what would be the situation of those members who agreed with such a proposal. How can anybody honestly vote in favour of such legislation, as I am convinced that all those members representing constituencies with agricultural areas have, like all the others, pledged themselves to fight this interest rate, to help the farmers and to find solutions.

The solution proposed by the Minister of Agriculture does not, under the present circumstances, appear very brilliant or acceptable.

Mr. Chairman, I do not think that the loans are a matter for concern. It is certainly possible to help our farmers through the granting of loans, but increasing them will not solve the problem. Loans would simply prolong the present agony of our farmers.

I feel the need is more pressing for means to ensure first of all, decent prices to our farmers. Subsidies are, to my mind, mere band-aids. What our farmers need urgently is for the government to find the means of enabling them to farm their land more profitably.

For instance, I imagine the Department of Agriculture is aware of the April commission report which was submitted to the province of Quebec and which indicated that underground drainage was a priority in that province.

I fail to understand why no one has ever mentioned that the government could put a certain amount of money at the disposal of Quebec; and I imagine that the same problem exists in Ontario where many farmers must have paid the cost of that drainage themselves. I should think that it would be advantageous to allocate certain amounts of money for that underground drainage in the various provinces of Canada which need it, thus enabling our farmers to work on their land earlier in the spring, and later in the fall.

• (8:50 p.m.)

I think this would help our farmers. We might have to come to grants which are only poultices. They are instruments to guarantee prices, and it will only be through co-ordination and planning that we will be able to help our farmers. I think that is what they hope and want. I also believe it is our duty to try and find a plan adjusted to the various kinds of farming that exist in the various areas of this country.

It is certain that, in Quebec particularly, we have diversified farming. This is no reason, I think, not to give each kind of farming the attention it deserves. This diversified farming could even allow the farmers to have a better life if we had some planning and this is the responsibility of the government.

With regard to the research station established in Quebec under federal jurisdiction and according to a certain plan, I think it would be profitable to find markets to meet the demands of the population and to direct the farmers to those markets where the demand is increasing. They could be helped to practise land selection, for example, which would allow them to make better use of their land, since production would be geared to the quality of their land.

In my opinion, these measures would be much more beneficial than trying to find more credit.

I realize that the farmer needs a certain amount of credit, but I do not think we can solve his problems or help him to a better life by lending him more money or by passing a law which would force him to pay a higher rate of interest. As the hon. minister said a while ago, the interest rate of 5 per cent seems unacceptable to him. As for me, I do not honestly think that the farmer is inclined and able to pay more. Of course, the government will have to agree to pay the difference in rate if it is really necessary to increase the interest to over 5 per cent to find that money. But I do not see the possibility of supporting the motion when I cannot get the assurance that the farmers will continue to pay a rate of 5 per cent on their loans.

When considering the situation of the farmers in Canada, I feel sure that we all honestly want to improve the condition of that class of citizens. May I make a suggestion, Mr. Chairman? In my opinion, we could find cheaper labour for those farmers. How? This time, I will disprove the argument that the government could put forward, namely, that we do not have the necessary funds. In fact, I think that such a suggestion would not call for supplementary estimates on the part of the government, in view of the fact the farmer could go and get that manpower at the employment office as he does at the present time. During the harvesting season, when there is a great

demand for labour, I wonder if the government could not accept that the individual who actually receives unemployment insurance benefits would go and work on the farms.

The Unemployment Insurance Commission then would not make him lose his benefits, and the farmer could undertake to pay him the same amount that he receives from the Unemployment Insurance Office. This way, the farmers could get cheaper labour than they do at the present time and the worker then would have to work on the farm and get twice the amount of the benefits he receives at the present time.

Let us suppose a weekly average of $45. Whether he is earning $45 a week or receiving unemployment benefits of $45 a week does not bother the government. Besides assisting the worker, the adoption of such legislation would be a tremendous asset to the farmer who could, at the same time, obtain more farm labour and avoid the loss of his crops. His crops could be stored more quickly, thus avoiding losses because of frost or rain. Such an undertaking would be the solution we are looking for that would help the farmer to market his produce at a reduced cost price. Furthermore, improvements in prices to consumers could be envisaged and they would consist in better prices for the consumers of agricultural products. I think this measure would be applicable in this case. This is one method for our farmers to obtain labour at a cheaper price. There are a thousand ways to help them. I hope the government will give this matter serious consideration. At any rate, I hope that, in the course of discussions in this house concerning the agricultural class, it will be granted the respect and consideration it deserves. Granting the farmers the consideration they deserve and sharing their concern through workable and clear legislation will surely help them.

Mr. Chairman, those were the comments I wanted to express. I had to make them and I assure the present government that it is impossible to limit our discussion to granting additional credit, for this is not the priority we should give the agricultural class of this country, and especially those I represent in my province.

[*English*]

Mr. Schreyer: Those of us who knew the Minister of Agriculture when he sat on this side of the house know that at one time at least he had some very definite ideas and convictions about agricultural policy. On numerous occasions we used to discuss things over here behind the curtain, including our ideas relating to the case that could be made for price supports of farm products in this country. We talked, too, about the maximum extent of price supports possible. We know also that the minister had some views about agricultural credit.

When I listened to his speech in introducing this legislation to the house and recommending it to hon. members I found it a bit painful. He has learned the language of the establishment pretty quickly. When he succumbed to the Liberal party they took him to their bosom and whispered code words into his ears, because he came across with a pretty good imitation. Perhaps he was convincing to hon. members opposite, but he was really not very convincing to hon. members in this part of the chamber. Surely the minister must have some grave misgivings about the course of action he has recommended to this house.

The Minister of Agriculture recommended a course of action which will have the effect of increasing interest rates to the farmers of this country. Perhaps he more than anyone else here should know that increased interest rates will increase the cost of production. The government should be prepared to follow this credit legislation with a measure respecting farm income and price supports. We are being invited at this time to agree to the suggestion that we squeeze the farmers a little bit harder, as though they have not been squeezed hard enough in the past decade and a half. I am sure the former hon. member for Assiniboia, who now sits in the other place, will have some explaining to do.

Does the minister realize that according to the fifth chapter of the report from the Economic Council of Canada our agricultural industry has greater problems than the industry in the United States? The council has shown in its report tabled a few weeks ago that the rate of growth in agricultural productivity is lagging behind that of the United States. At this point I might say that I am not sure this is the case. I came across a recent publication from Toronto in which two learned economists take a rather different view about the relative growth rates in the two countries. I have not heard the minister take issue with the contents of the fifth chapter of the Economic Council. If he has not taken issue, one must presume he agrees in large part that the growth of agricultural productivity in Canada has not been keeping pace with that of the United States. If that is

the fact we should be doing something about it. One of the things we should not be doing is increasing the cost of capital to our farmers.

The cost of farm credit in the country to the south of us is being maintained at a rate considerably lower than it is here. Does the minister have any information to give this house as to the present United States rate applying to farm credit loans being granted now by the farmers home administration in the United States, which is the credit granting agency there?

• (9:00 p.m.)

It is my understanding that all classes of loans being granted by the farmers home administration in the U.S.A. are being granted at an interest rate of 5 per cent, except for emergency loans which are granted at an interest rate of 3 per cent. In connection with the farmers home administration across the border, since I am on the subject, here one has a concrete example of the kind of thing that my colleague the hon. member for Saskatoon-Biggar referred to the other night, namely that there should be more scope and variety in the kinds of farm credit available to farmers in this country. There should be operating capital loans, and these should be of a short, intermediate and long term nature. They should be available more as a package, and there should be much more credit supervision in respect of farmers taking out such loans. This is not the case at the present time.

I do not want to deal with this matter at any greater length because it has been adequately covered by other hon. members. But I again stress that the minister is not only disappointing us but is displaying a certain amount of gall in asking us on this side of the house to approve a measure that will have the effect of increasing interest rates, and therefore the costs of production which, according to my very rapid and rough calculation, will mean an additional $10 million a year in production costs in this country. If interest rates were to increase by one or two percentage points, amortizing this over 25 or 30 years it will amount to an additional cost of many thousands of dollars to a young farmer taking on an operation in a transfer between father and son.

All of this can hardly be justified. The minister has one argument. He wants us to agree to amend the existing farm credit statutes because he says the present rates are unrealistic. I believe he used the word "unrealistic". I ask, unrealistic to whom?

Mr. Woolliams: To the banks.

Mr. Schreyer: To the bankers, no doubt, and the bankers association. But to farmers who have been struggling under low profit margins and low income levels for many years, any increase in interest rates is unrealistic. It all depends whose ox is being gored. One can see that the minister's approach is not far removed from that of the bankers association, otherwise he would not say the present interest rates are unrealistic.

I should like to quote just three sentences from the fifth chapter of the fifth annual review of the Economic Council of Canada:

> Prices of farm products have increased much less than prices of other goods and services over the past two decades. This has meant that the prices of the goods sold by farmers have, on average, increased less rapidly than the prices of goods purchased by farmers. And this has meant, in turn, that part of the income-generating benefits arising from the rapid rate of growth of agricultural productivity have been shifted from the farm sector to other sectors of the economy.

There is an admission by the Economic Council of Canada that there has been an impressive increase in agricultural productivity and efficiency, that there have been impressive benefits accruing therefrom, but that the benefits which have been realized from this increased efficiency and productivity on our farms have not been retained by Canadian farmers but have been passed on to other sectors of the economy. That being so, it is not difficult to justify making a plea to the minister that agricultural credit, and in particular the operations of the Farm Credit Corporation and long term credit, be maintained as instruments of national policy. One may be prepared to concede grudgingly that capital that is lent under the aegis of the Farm Improvement Loans Act is, after all, money that is being lent from private sources and through private channels, and there is probably not much that can be done to contain these interest rates in the light of the action taken by this government two years ago when it revised the Bank Act.

At that time the government took the ceiling off interest rates. Now Canadian farmers are paying the consequences of this ill-conceived action which the Minister of Labour, I must say to his credit, did not vote for at that time. The Farm Credit Corporation is quite another matter. It is a crown corporation, a public corporation. It can acquire the necessary moneys through the government of Canada from the sale of government securities.

With respect to the operations of the F.C.C. and the interest rate charged on farm credit loans, a government with any intention at all of trying to keep down the costs of production as far as it was in its power to do, any government which had a real sense of concern about the income level of Canadian farmers, would maintain the Farm Credit Corporation and the interest rate as a deliberate instrument of national policy.

If there is to be an element of subsidization, so be it. So there should be, particularly in the light of the statement which I have just read from the report of the Economic Council of Canada which of course can be found in other places as well. Any economist who has carried out an in-depth analysis of the farm industry and farm income in this country is bound to come to the same conclusion, namely that the benefits which have been realized from an increase in productivity on Canadian farms has been passed on to other sectors of our economy.

There is, therefore, a place here for reciprocation. The reciprocation should come at least in the form of a Farm Credit Corporation loan interest rate that is kept low and stable, say at 5 per cent. Does this government have so little confidence in its ability to bring down interest rates in this country that it feels it cannot live with the 5 per cent interest rate now being charged by the Farm Credit Corporation?

Interest rates have climbed in the past 18 months and, one assumes, have reached a peak of the cycle and will now start to subside. It is to be assumed that fairly soon they will be coming down to the trough which existed a few years ago. This government does not think in terms of cycles in the economy any more. They have taken the lid off interest rates. I suppose they now think they will never again see the day when interest rates are what they were in the early part of 1965.

I know other hon. members have submitted to the minister that, if not under the Farm Improvement Loans Act, at least with respect to the Farm Credit Corporation—a genuine attempt should be made to try to keep the interest rate—at its present level, and that should be done as a matter of deliberate policy. I assume this is why some hon. members have asked that this bill respecting the F.C.C. be referred to the standing committee on agriculture. The minister was evasive in this respect. I did not understand him to say definitely no, but I certainly did not understand him to say definitely yes.

• (9:10 p.m.)

There is one question I would like the minister to answer either tonight, tomorrow or when the bill reaches second reading, and that is how he and his colleagues in the cabinet intend to play any part in improving the productivity of Canadian agriculture, if they take action to increase the cost of loan capital to Canadian farmers. We know that the amount of capital input required by the farmers has been rising dramatically each year. It is hard to estimate just what the average required capital input is these days, but let us say it is approximately $75,000 or $80,000. It will certainly be more than that in a few years. The government proposes to increase the cost of this essential factor, but it will not do very much to help that industry increase its productivity. I wish the minister and the Economic Council of Canada would get together.

Mr. Nesbitt: Mr. Chairman, I understand there are three resolutions now before the house, one of which will be voted upon in a very few minutes. I shall therefore confine my remarks to the subject matter of this resolution prior to the vote, and continue on with the other two following it.

When the subject of agriculture in any of its forms comes before the house we have to remember two things in looking at the proposed legislation concerning agriculture. One is that agriculture is still by far the largest industry in Canada, and the second is that agriculture is a particularly unique industry for two reasons: One, that it is affected very much by the weather, which is a very important factor because in this country, as we all know, the vagaries of our climate can have a tremendous influence on the crops produced, and the second is that agriculture, because of its very nature, is very much affected by the actions of other governments. I think that while other industries are affected to some degree by the actions of other governments, no industry is affected to the same degree as agriculture, and I will come to this a little later on in my remarks.

I think these two facts are very important and should be borne in mind, because much of the legislation affecting agriculture is regularly misinterpreted by many sections of the public. There is no other industry that is

affected by the weather, and that is as uncertain as is agriculture.

There is perhaps a third factor which must be remembered, namely that it is certainly the responsibility of any government to ensure that the food supply of this country and of certain other countries which rely on Canada is protected.

It is for these reasons among others that very often agriculture has received special consideration in the days gone by. I am referring of course to subsidies, subsidized interest rates and the like. This is very important because of the three rather special factors which do not affect other industries to the same extent. I have heard it said, particularly by those who do not come from farm communities, that farmers are always complaining, and that they always get special attention. But I repeat that there are no industries in this country, and so far as I know anywhere else, which have these special qualities and which need special concern.

The first resolution before us concerns the farm credit corporation. The minister has attempted to answer some of the questions that have been put by members of this house, but I am afraid I cannot agree with his answers. It is certainly interesting to see how things change. I can remember the time when the minister sat in another quarter of the house and when he used to think that any interest rates were the handmaiden of the cities of the Plain. But now that he is on the opposite side of the house he no longer has any worries about Sodom and Gomorrah, and thinks in fact that higher interest rates are appropriate. It certainly seems very strange how things change over the years in this house. So far as the Farm Credit Corporation is concerned, I certainly hope that the minister and his colleagues will not insist on any change in the 5 per cent interest rates. Loans made through the Farm Credit Corporation are very long term in nature and we know that at the moment interest rates are high—but they tend to average at 5 per cent over the years. In any event, for the three reasons I mentioned earlier, agriculture deserves special consideration, and I think that 5 per cent is a reasonable rate of interest to be charged; certainly no more.

I also agree with other hon. members who have suggested that the bill on the Farm Credit Act should be referred to the standing committee on agriculture. The minister tried to explain this away rather vaguely by saying it should be passed in a hurry because the need of the farmers is urgent. This explanation might apply to the farm improvement loan bill, but I do not think it applies in this case. It is true there may be some farmers waiting to make applications after the act has been amended, but I think more farmers are interested in finding out how some of the policies on loans are evolved. If I recall correctly, it has been about 10 years since the Farm Credit Corporation or any of its officials have been before the committee on agriculture. Only the other day this government suggested that we look into the matter of delegated legislation. I think it would be a very good start if the committee on agriculture started looking into some of the activities of the Farm Credit Corporation, how their policies are made, who gets loans, etc.

I am sure these things would be of great interest to farmers, and most farmers applying for loans would not mind waiting a few days longer if they could get some of the other matters ironed out. When in a cavalier fashion the minister brushed this suggestion off, I think he made a big mistake.

I hope that when the standing committee on agriculture is set up, the minister will recommend to his colleagues in the government that sooner or later the activities of the Farm Credit Corporation be referred to the committee for study, because many of the things I mentioned are of great concern to the farmers. I hope that if he will not do it by means of this bill, when it appears, he will do it in some other way.

So far as the farm improvement loans resolution is concerned, we still do not know exactly what the government will do with respect to the interest rates, except that we know it will increase them. I think everyone knows that one of the difficulties people have in obtaining loans under the Farm Improvement Loans Act is that the interest rate has been set at 5 per cent.

I raised this matter a good many times in the last parliament, and I am glad to see the government will do something about it. If the interest rate is only raised to a small degree and some sort of sliding scale is evolved by the cabinet, I do not think it will help very much, because at the present time banks lend all the money they have available for loans at 10 per cent and more, and they do not worry too much about guarantees. The fact that these loans are guaranteed by the government will not be a great incentive. There will be some improvement, no doubt, if the interest rate is raised, but that is not the answer. I do

not believe this is going to answer the demand for loans. I should like to suggest to the minister—

• (9:20 p.m.)

The Chairman: Order, please.

Mr. Nesbitt: —that rather than have an uncertain interest rate—

The Chairman: Order, please. Pursuant to standing order 61A, it is my duty to now put the question. Shall the resolution carry?

Some hon. Members: No.

The Chairman: The hon. member for Saskatoon-Biggar on a point of order?

Mr. Gleave: No; am I not permitted to make a speech?

The Chairman: No, according to standing order 61A the time for the discussion of this resolution has now expired, and it is my duty to put the question. All those in favour please say yea.

Some hon. Members: Yea.

The Chairman: All those opposed please say nay.

Some hon. Members: Nay.

The Chairman: In my opinion, the yeas have it. Shall I report the resolution?

Some hon. Members: Agreed.

Resolution reported and concurred in.

Mr. Olson thereupon moved for leave to introduce Bill No. C-110, to amend the Farm Credit Act.

Motion agreed to and bill read the first time.

FARM MACHINERY SYNDICATES CREDIT ACT

AMENDMENTS TO BROADEN PURPOSES OF LOANS, ENABLE CO-OPERATIVE ASSOCIATIONS TO OBTAIN LOANS, ETC.

Hon. H. A. Olson (Minister of Agriculture) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure amending the Farm Machinery Syndicates Credit Act to broaden the purposes for which loans may be made under that act; to enable co-operative farm associations and certain farming corporations and other associations to obtain loans under that act without the members or shareholders thereof being required to enter into any other formal agreement; and to provide for other consequential and related subjects.

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

Mr. Nesbitt: A few moments ago, I was discussing the matter of interest rates in connection with the Farm Improvement Loans Act. At that time I indicated that I thought whatever scheme the minister devised for slightly increasing interest rates under the Farm Improvement Loans Act, there will probably be difficulty in obtaining much additional money that way. At the present time, of course, the banks are able to lend most of the money they have available for loans at a much higher rate of interest than the government will be able to provide. The banks will not be worried about security because at the present time they do not seem to be bothering about that aspect of things.

Consequently there is something I hope the minister might take into consideration and that is, instead of increasing the interest rate under the Farm Improvement Loans Act, which loans are in the nature of short term or interim term credit, the government might set up a fund similar to the fund it has for the Farm Credit Corporation. In this way, those who borrow under the Farm Improvement Loans Act would know exactly what rate of interest they would be paying. If this arrangement were set up, then the government would not have to rely on the banks to lend money to farmers at whatever interest rate may be decided if the banks decided to lend the money at all.

The farmer would have some assurance of how much interest he would have to pay over the years. I feel that if the government really wants to help farmers with regard to short term loans, the thing to do would be to set up a fund similar to the Farm Credit Corporation fund, and set an interest rate of 5 per cent. When the minister was discussing the Farm Improvement Loans Act he said that some of the functions of this act and those of the Farm Credit Corporation overlapped. He said people could borrow money from a bank under the Farm Improvement Loans Act to make a small purchase of land. Since there is an obvious attempt, apparently, to sort of overlap the arrangements between the Farm Credit Corporation and the Farm Improvement Loans Act, I would think a good way would be to combine the two, put both short term and long term credit under the Farm

Credit Corporation. This can be done quite easily by setting up the necessary fund. Then we would not have people going to a bank and finding one branch of the bank turning down a farmer, while another branch said yes. We would get some standardization in this way, as well as lower interest rates.

At the moment, the need for credit of those engaged in agriculture is great. If the government had taken a greater interest in farm policies in days gone by, there would not be the necessity for the extension of credit facilities at this time. Most people do not want to borrow money because it is very difficult to pay it back at the interest rates that are charged now. As I said earlier, I believe the government has a very special responsibility toward agriculture because the government has the responsibility for preserving the country's food supply. We now have a very serious problem in agriculture, and this may very well have a great bearing on the amount of funds available, and the interest rates under this proposed resolution. I refer to the corn problem in Canada.

• (9:30 p.m.)

This problem is a complex one as most agricultural problems usually are. Very briefly, Mr. Chairman, it is this: First, Canada produces at the present time approximately 70 per cent of its corn needs; the rest comes from the United States of America. Second, the United States government subsidizes in one way or another United States corn growers so that the United States grower receives approximately $1.35 per bushel U.S. funds. Third, the United States grades its corn very differently from the way Canadian grades are rated. This helps what is popularly known as the dumping of corn in Canada. Somebody put it very well when he said that this is "dumping by grading." Fourth, United States corn tends to come into the Canadian market just before the Canadian corn is harvested. Fifth, at the present time the United States government, because of a very large corn crop in the United States, is very anxious to get rid of its stockpiles of corn which it has been piling up for the last year or so. Room is required to store new corn.

Now, Mr. Chairman, remember that the growers in the United States are getting at least $1.35 per bushel as a result of United States government subsidies. This United States corn is dumped on the market in Chicago as low, so I am informed, as 31-cents a bushel. Granted, this is probably very low grade corn, but lots of tricks can be played with the grading of corn.

This, Mr. Chairman, hardly seems fair. Since we import 30 per cent of our corn needs, perhaps slightly more, from the United States, the price in the United States tends greatly to affect the price in Canada. I am reliably informed that by the end of this week one of the popular grades of corn in this country will be selling for about $1 per bushel. Corn costs the Canadian farmers an average of $1.22 a bushel to produce. I realize it is difficult to be accurate when talking of averages, but according to the best information I have been able to get, that is the present cost to Canadian corn farmers. If the average price goes down to $1 per bushel, then it is very easy to see what is going to happen to the corn farmers of this country.

Perhaps the government did not foresee this coming, Mr. Chairman, but many corn farmers did. A lot of the best corn lands in Canada have been sold in the last short while to what I am informed are wealthy buyers of land from other countries, particularly the United States. These people are purchasing a lot of our best corn lands. I do not think this is an exactly desirable state of affairs. We often complain about our industry, our resources and our lands being taken over by our good neighbours. I do not blame the United States for this; business is business. I blame the government for allowing this sort of thing to happen. If the farmers are forced to sell their corn at $1 a bushel, and perhaps even less before the season is out, since it costs them $1.22 to produce the result will be inevitable.

Dumping is normally understood to be a situation where a country sells its produce abroad at a price lower than it sells it on its domestic markets. Mr. Chairman, this is a piece of fancy fiction. As anyone with experience with dumping duties knows, dumping can be achieved in all sorts of ways—by means of subsidies, direct and indirect, soil banks, special grading of a product, avoidance and evasion of laws, evasion of GATT, and in other ways.

The fact is, Mr. Chairman, that while technically the United States government may not be dumping corn in Canada since it is selling it, and has been selling it only recently, at 31-cents a bushel in Chicago, it is in actual fact dumping corn in this country, and everybody knows it. This is not the fault of the Canadian farmers. It is not because they are inefficient. It is because the government

permits this to happen. The government has very much of a responsibility to protect the people of Canada from this sort of activity. The responsible officials of the Department of Agriculture must have known that this would take place this fall; everybody else seemed to know. However, nothing has been done.

It is the responsibility of this government to protect Canadian citizens from acts of foreign governments. This whole problem, Mr. Chairman, has been caused by the activities of the United States government. I do not blame them. After all, they are only looking after their own people and their own problems. However, their actions affect us. They affect our country and our farmers, who are good and efficient farmers. I suggest that we should not stand for this kind of activity that is depressing the price of Canadian corn.

One argument that has been made, and I think a fallacious one, is that if we cannot produce corn economically in this country, then we should let the corn farmers grow something else. This reminds me of an old expression which was attributed to the unfortunate Queen of France, who said: "If they have no bread, let them eat cake". This of course does not make sense. The United States might not have a surplus of corn next year so there would not be any to dump. In that event, there would be no corn in this country, and this might cause quite a few problems. We cannot rely on the surplus of other countries to furnish our needs. We need an adequate policy in this country to ensure and preserve our food supply. Occasionally we may have to pay for this in the form of a subsidy, but we can spread the payment among the taxpayers. This is small insurance to pay for ensuring that we do not become reliant for food on some other country, and perhaps find ourselves without at some future date. I suggest it is the responsibility of this government to protect our producers from the kind of competition with which they are putting up at the present time.

In addition, Mr. Chairman, quite a bit of U.S. corn is being brought into Canada at prices that, although they vary all the time, tend to be very close to the price presently being paid in Chicago. A lot of people have been wondering who it is who imports this corn into Canada. I do not know who it is. There are some questions on the order paper inquiring into this matter and I hope they will soon be answered, because lots of stories are being circulated. I am not going to say anything more about this, but I think in fairness to all concerned the whole matter should be clarified. I think we should be told who is importing this corn.

Now, Mr. Chairman, since this problem has been presented, we might be asked what are we going to do about it. There have been a number of agricultural organizations in Ottawa the last few days speaking both to members of the government and the opposition. Some of these organizations have suggested that legislation should be quickly prepared to put the corn growers under the jurisdiction of the Wheat Board. I suggest this would restrict movement of corn. It would certainly stop the importation of this very low cost corn from the United States, it is true, but there are many other disadvantages. Frankly, having discussed the matter with a number of people, I do not think this would be a very good arrangement.

Since time is of the essence, the Canadian corn harvest having now commenced, I think something must be done right away. It is no use the minister saying that various groups of corn growers have different solutions, and when they decide what they want he will give it to them. That is passing the buck. The minister has told us that the people of Canada put this government into office, and I suggest that they expect some decisive action both from the government and from this minister.

• (9:40 p.m.)

I respectfully suggest to the minister that what he should do, since time is of the essence is, by order in council, put corn under the terms of the stabilization act to provide an adequate return to the grower. This could be done quickly. I think he should place it at approximately 115 per cent of the last ten-year average, which would provide a return of approximately $1.39 a bushel to the grower. This will cost the taxpayers money, but it is a small insurance to avoid the problems I referred to earlier. Remember that if the corn growers do go out of business it will put a lot of people out of work. The Cockshutt Co. at Brantford announced the other day that it was letting 500 people go because of lack of demand for farm machinery, arising from uncertainty about markets for agricultural products, including corn. As I say, this proposal will cost some money, but so would extra payments from the unemployment insurance fund. So for Heaven's sake let us keep the farmers in business, give them a proper return for their labours, and ensure the nation's food supply.

Since the government is economy minded these days, it might help somewhat if they would try to stop the dumping of cheap corn in this country. This could be done in a number of ways—through discussions with the minister's opposite number in the United States, or perhaps by a suggestion that if no action were taken severe anti-dumping restrictions might be passed. Putting corn under the terms of the stabilization act would be an incentive to the government to try to keep cheap corn out of the country, since to let it in would cost the government money. It would also allay all the fears and uncertainties now present in the minds of corn growers. It would prevent many going bankrupt. It would protect Canadians against unfair competition from abroad. The machinery exists. The action I suggest need only be for a 12-month period; in the next 12-month period the government could possibly find other means of dealing with this problem, perhaps some modification of the Wheat Board arrangement. The government would have time to think of a better solution. Any kind of subsidy should, I think, be only of a temporary nature; but what I have suggested is a good way of doing things, a viable and direct way, and I hope the minister will give it consideration.

Mr. Olson: I simply wish to say that I have no objection to referring the report of the Farm Credit Corporation to the standing committee, with the qualification that we would have to wait for that committee to be established. And the first order of business ought to be for that committee to consider the estimates to be referred to it. If, after considering the estimates, the committee decides that it wants to go deeply into the subject of the Farm Credit Corporation I do not see why this report should not be referred to the committee as its second task. I do not wish to repeat the argument against sending the bill itself to the committee. But the committee could carry out essentially the same study if the report were sent to it.

Mr. Baldwin: If the estimates are sent to the committee they would include the appropriation directed to the Farm Credit Corporation, and with all respect to the minister's good intentions the committee does not need his consent, or that of the government, to make whatever examination it sees fit. It is seized with the task of considering all the estimates, including those of the Farm Credit Corporation. I assume this would include the right to call witnesses, including members of the corporation. I suppose they might even be asked about the report.

Mr. Olson: That is precisely the argument I was making a few minutes ago. I said the committee was not prevented from looking into this matter, regardless of whether or not the government referred the report of the F.C.C. to it or not. The committee has full authority to make this kind of examination when the particular item in the estimates comes before it. However, a number of hon. members wanted a further assurance that we would give the committee an opportunity to examine the operations of the F.C.C. I am sure the hon. member for Peace River has now succeeded in convincing his hon. friends that they already have the right to which he has referred, and do not need any assurance from the minister.

Mr. Baldwin: I think my hon. friends were concerned that the government should not use its majority on the committee to prevent their making uninhibited use of the occasion to examine the chairman of the F.C.C. if they thought that was necessary. I realize the hon. gentleman cannot indicate in advance what attitude government members will take in the committee, but I hope he will use all the influence he has to make sure they will not seek to prevent the committee making this kind of examination.

Mr. Olson: Mr. Chairman, I am sure the hon. member for Peace River realizes full well that the minister would not attempt to use his influence, that is, if he has any, in that way. On the other hand he would not wish to use his influence in compliance with his request to inhibit the progress which the committee might wish to make from day to day.

Mr. Gleave: I should like to make some further remarks on this subject in the light of the farm conditions we are facing, and which we shall have to contend with in connection with this farm credit program. I believe that agricultural conditions, the earning power of farmers and their ability to ensure a satisfactory profit margin are factors relevant to our credit program, and that the credit program is an integral part of the total farm picture.

If anyone doubts this he should look at the history of the depression in the 'thirties, when we found ourselves in debt adjustment courts because farm earnings were insufficient to carry the debt load the operation had incurred. We had to review that debt load

and make adjustments involving a substantial loss to farmers and to those who had provided credit. Let us not doubt that this could be repeated, though perhaps not on the same scale or in exactly the same way. Even though it is said that history repeats itself, it often does so in a fashion somewhat different from the experience of the past.

• (9:50 p.m.)

So, the credit program which the government proposes and may intend to carry out must have reference to the farm conditions that actually exist. Judging from the throne speech and this legislation before us, the government's agricultural program is practically entirely the credit program. There is no mention of the national marketing boards that were spoken of during the election campaign. I do not see them here. Yet when one looks at the situation of agriculture he must concede that all is not well.

When farmers will abandon their fields and take to the roads, with tractors in the province of Ontario, surely it is worthy of notice. When you also see tractors being used for the same purpose of protest in the province of Saskatchewan, surely it is worthy of notice. This credit program does not take notice of the basic changes that are taking place in farming, and of the manner in which industry is impinging on the farm picture. Yet this will have to be a part of the whole.

The government says it cannot tolerate the delay involved in referring the Farm Credit Corporation legislation to a committee, yet time will have to be spent picking up the pieces if the legislation does not do the job effectively.

If the interest rates are increased the government, as I understand it, proposes to be a sort of umpire between the lenders and the farmers, to say what the rate will be. I suppose if the rate is high enough and the farmer is being choked the umpire will say, "You will have to let him up so that he can breathe, so that he can go borrow some more money and pay some more interest, or else he will just fold up". I think this is the serious situation we are looking at.

The minister says that the Farm Credit Corporation supervisory staff could be made available to the lending agencies. In all seriousness I ask him whether the corporation has that supervisory staff? When I say supervisory staff I mean staff that has been specifically trained and is being specifically used to supervise farm credit.

[Mr. Gleave.]

Mr. Olson: I would like to draw the hon. member's attention to the fact that I am sure I did not say supervisory. I said advisory.

Mr. Gleave: I thank the minister, but it is not advisory staff that will be needed. It is trained staff that will be needed in the Farm Credit Corporation, and if they are to assist other people they will possibly do so in an advisory capacity. But my point, Mr. Chairman, is that unless the corporation now has trained supervisory staff it cannot lend such staff to anybody else.

This is one of the important points in the whole program if we are going to draw upon other credit companies and insurance companies that we are told will be selected, including those already qualified in the farm field. I would appreciate it if the minister would advise us how these companies or corporations, that will be lending money to farmers, will be selected? Is it going to be open to any that may care to come in?

Personally I would not want to have the job of saying it will be this one or that one, but perhaps there are people within the Department of Agriculture who are qualified to say it will be this one or it will be that one. If there is going to be a selection we should know the basis of selection. These are some of the important points that need to be cleared up.

Mr. McQuaid: Mr. Chairman, in the very short time at my disposal this evening I would like to deal chiefly with item No. 6. Although this item has been carried I understand an arrangement has been arrived at whereby it may still be discussed. Perhaps at this time, however, I might call it ten o'clock.

The Chairman: Is this agreed?

Some hon. Members: Agreed.

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

Progress reported.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, before we move on to the adjournment motion perhaps I could announce the business for tomorrow. We will continue with the Farm Machinery Syndicates Credit Act resolution, which is item No. 7 on today's order paper, and then proceed to item No. 5 on

today's order paper with respect to the Farm Improvement Loans Act. Then we will go on to item No. 8, which is a resolution preceding a bill to amend the Prairie Grain Advance Payments Act, and after that we will deal with the resolution preceding the amendments to the Post Office Act.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

PUBLIC SERVICE—LABOUR DEPARTMENT—STATUS OF WOMEN'S BUREAU

Mr. Warren Allmand (Notre-Dame-de Grâce): Mr. Speaker, this afternoon I tried to ask several questions of the Minister of Labour (Mr. Mackasey) regarding the Women's Bureau in his department, but was ruled out of order. Questions were also asked by the hon. member for Winnipeg North Centre (Mr. Knowles), and by the right hon. member for Prince Albert (Mr. Diefenbaker), but I believe the answers given were not complete. Therefore I put this matter on for discussion tonight.

It was reported yesterday that the Canadian Union of Public Employees announced a brief, which will be submitted to the Royal Commission on the Status of Women this week, stating that the Women's Bureau in the Department of Labour is not doing a proper job in protecting the rights of women as employees.

There were also certain remarks made by Mrs. J. Findlay, who had been director of the Women's Bureau and who retired from that position last February. Both made several criticisms against the bureau, and I can list them as follows. First, they said that the bureau did not have an adequate staff. At present it has only three persons in it. Second, they said that the director did not have enough authority or status, and consequently did not have an important enough role within the Department of Labour. It was suggested that Treasury Board should re-evaluate and upgrade the director's position. In this respect there was also criticism that a new director had not been appointed since the retirement last February of Mrs. Findlay. Third, they said that the Female Employees Equal Pay Act passed in 1956, which comes under the Women's Bureau in the Department of Labour, is not adequate, does not have enough teeth, and generally is not sufficient to do what it is supposed to do. Some people have suggested that this act be brought into line with the Canada Labour (Standards) Code and the Fair Employment Practices Act.

• (10:00 p.m.)

The fourth criticism is that the present bureau and the law which it administers is not generally known among women employees. It is suggested that as a consequence women have not taken advantage of the provisions that are already there to protect them. It is suggested further that the bureau should set up an information service to make known to the women the rights they have under the act, which the bureau is in a position to enforce for them. Another suggestion is that the bureau take a more aggressive position with regard to seeking out areas in which women are discriminated against. I might say in respect of the use of more information services, that the story which appeared in the *Globe and Mail* today was right beside an ad by the Department of Labour Women's Bureau which set out clearly the type of work it does.

I think more should be done in this regard by the Women's Bureau, which comes under the federal Department of Labour. The brief also criticized the lack of communication between the Women's Bureau and other departments within the federal government which deal with matters relating to women. Mrs. Findlay said that although she had certain jurisdiction over many laws which are intended to protect women there was no real communication between her bureau and the other departments of government. She felt that there should be this communication.

The sixth point in the brief is a criticism of the manpower retraining programs in respect of their work among women. I am aware that this does not come under the jurisdiction of the Minister of Labour, but since it is brought up in the brief and is related to labour I think it should be mentioned. It is stated that many women who have been housewives for a long period and who wish to enter the labour force are not able to find employment which would make them productive people in our society.

At present we are not making the most of our female labour force. The Economic Council of Canada has stated that we must take steps to drastically increase our economic production. One certain way of doing this is to have an active, content and highly trained

female labour force. I believe that our women should be given a full role in our economy with men. This will benefit not only the women but also the whole society. I hope that the minister will give careful consideration to the CUPE recommendations.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): Mr. Speaker, at the outset of my remarks may I say that the minister agrees essentially with many of the observations made in the brief presented to the Royal Commission on the Status of Women by the Canadian Union of Public Employees and re-emphasized this evening by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand).

Statistically, according to the latest figures available, the number of women working in Canada at the end of June 1967 was approximately 170,000. These women are covered by the Female Employees Equal Pay Act or by the provisions of the Public Service Act. At the request of the minister, shortly after he took office a review of the Women's Bureau was made as well as an appraisal of the act to which I have just referred. Steps were immediately taken to fill the vacant role of director of this important branch and to upgrade its classification to bring it more in line with the degree of importance that the minister attaches to this area of his department. As a result of this study, a director has been chosen at a classification and salary that is in line with those paid to other branch heads. The name of this director will be announced very shortly, provided of course that there are no appeals against her choice as permitted under the Public Service Act.

While I am sure all members realize that federal jurisdiction extends to a comparatively limited number of women in the work force of Canada, it is realized that the federal department has a responsibility to lead rather than follow the provinces in recognition of the growing importance of women in the labour force, and to do everything in its power to eliminate all forms of discriminatory practices.

As the hon. member for Notre-Dame-de-Grâce has pointed out, the Female Employees Equal Pay Act is basically good legislation. Its weakness rests with the fact that it acts only on complaints brought to our attention by affected workers. Perhaps as Mr. Little of the union pointed out, we have not made sufficient efforts to acquaint women with this act and its provisions. Perhaps the unions have been lax as well in not acquainting their membership with the provisions of the act; but indeed Mr. Little was frank and honest enough to indicate that the unions themselves are not without blame.

Proposed changes to the act have been suggested to the minister, but it is hoped that these changes can be reviewed when the report of the royal commission is changed, in order that the act be made as perfect as possible.

It is obvious, for instance, that the proposed changes must permit the department to initiate action and determine whether or not discrimination is being practiced against the female segment of our working force. If past history is any indicator, provincial legislation usually follows shortly afterwards.

[Mr. Allmand.]

OIL—REPORTED REDUCTION IN U.S. IMPORTS FROM CANADA

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, today I asked two questions of the Minister of Energy, Mines and Resources. The first one was, briefly, did the United States make a unilateral decision to cut back the quotas on exports of crude petroleum from Alberta, Canada, to the United States, or was this the result of negotiation between the two countries. I received an answer which gave statistical information about what has happened in the past. I am not talking today about what has happened. I then put this question to the minister:

> Perhaps the minister did not quite understand my question. We all realize that the national oil policy is subject to negotiation, but did Canada negotiate this export loss in crude petroleum to the United States or was this done on a unilateral basis by the United States?

I have discussed this matter with the top people in the oil industry and they advise me there has been a cutback for the next quarter of 10,000 barrels of crude per day. As a result of that situation the Calgary *Herald* of September 28, 1968 carried the following heading: "Alberta oil exports cut" and the subheading "U.S. to restrict imports". This article was written by Fraser Perry, one of our more reliable newspapermen, who thoroughly understands this particular subject.

I wanted to obtain an answer from the minister as to whether this cutback had been negotiated, or is the result of unilateral action by the United States. I was not being critical of the government.

The article to which I referred reads in part as follows:

> United States action which could cost Alberta export sales totalling close to 10,000,000 barrels of crude oil in the next three months, has created new tensions in Ottawa, Washington and the oil centres of North America.

This is causing tension as well in Calgary, the oil capital. The oil industry has stated without reservation or equivocation that there has been a cut-back. I am not denying or arguing for one moment that since the implementation of a national oil policy in 1961 there have been negotiations, or that the National Energy Board set up by the Conservative government has done an excellent job in this regard. Neither am I denying that in the last three months there was an improvement in the export of oil. What I am saying is that now there is a cut-back.

Several months ago when I suggested there was a cut-back in the export of grain the former government practically laughed me out of the House of Commons. This government has statistics which show what a great job it is doing in this field, and I am not denying that. What I am saying now is that it does not make any difference whether you have statistics or not, if representatives of the industry were in my place tonight they would tell you that the maximum exports we have ever had represent only 30 per cent to 40 per cent of our production.

The *Canada Year Book*, which I think is pretty reliable, indicates that we import crude petroleum into eastern Canada through the Montreal market to the extent of 395,000 barrels of crude oil per day from Venezuela, Arabia, Iran and Iraq. We export to the United States—I say "we", but it is American capital that is bringing the crude petroleum in here—on an average only 295,000 barrels of crude petroleum daily. A few days ago this figure was cut by 10,000 barrels.

• (10:10 p.m.)

It is obvious that the minister did not negotiate on behalf of Canada; it is obvious that it was a unilateral deal. I say this is obvious because the minister would not answer the question today. He wanted to give statistics on what had been done in the last three months. I am not questioning his figures; he and I can give figures. But as of today we have lost the export of 10,000 barrels per day from the Calgary area. This is the seriousness of the situation. The industry has pointed this out. I do not think the minister would argue with the newspapermen, companies in the United States and the industry in Canada; surely he will not do that.

I have here some figures which were obtained from the National Energy Board. In the first quarter of 1968 the industry in Calgary exported 293,000 barrels of crude petroleum per day to the United States. In the third quarter of that year the figure was 353,000 barrels per day. But there has now been a cut-back to 280,000 barrels per day, which is less than the average mentioned in the *Canada Year Book*. This is less than the average last year, and there is definitely a fall-off.

In addition, Mr. Udall, the minister of the interior of the United States, has advised the industry in the United States that they must cut back on their imports of crude petroleum from this country. That is only a suggestion from the government in Washington, but as my good friend the Postmaster General (Mr. Kierans) appreciates, when they get a suggestion like that, they take it as an order.

In the Puget Sound area, which is the Washington-Vancouver area, 140,000 barrels of crude petroleum per day go in. That figure is being cut back to 100,000 barrels per day. Because of this situation I sought information from the minister today as to what the government is doing about it. I wanted to know whether they were negotiating with the United States. Are they saying to the United States, "You have the Montreal market. You refine crude petroleum. You bring in 395,000 barrels of crude petroleum per day, and that finds its way into refined products that are sent to Toronto and even farther west." This is the area which was negotiated between Canada and the United States and is our western supply centre.

So basically we are in this position: We are losing our domestic market and our exports. We want to keep up our gross national product, but the same thing will happen in western Canada with regard to petroleum as happened with grain. This government said they would give western Canada representation, and they would give some power to the Minister without Portfolio from Saskatchewan and the Minister of Agriculture (Mr. Olson) from Alberta. It is true they are now members of the cabinet, but they are being stripped naked of their jurisdiction and powers in this government. That is our complaint, and we are trying to get information from the minister.

Proceedings on Adjournment Motion

I repeat that I am not quibbling about whether the figure was 117,000 barrels, but I am saying there has now been a cutback. I want to know whether this was a unilateral or a negotiated arrangement. If it was a negotiated arrangement, why did Canada give in to the United States?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I can quite understand why the hon. member who poses this question would not be too concerned to discuss figures, because I believe that when his party was in office the sale in districts one to four was something in the neighbourhood of 117,000 barrels a day. But in the third quarter of this year the sale in districts one to four was in the neighbourhood of 350,000 barrels a day.

Improvements have taken place to this degree through the implementation of the national oil policy, which is a very sensitive and delicate exercise but which has worked well in the Canadian interest. There is of course no quota restriction as such from the United States. Unlike the hon. member, I do not believe everything I read in the newspapers. I have seen newspapers that made mistakes. It may be that some of the figures they have quoted are not accurate because the United States does not have an express barrier against imports, or express import quotas. Canada enjoys the overland exemption which was given to us by presidential decree in the United States, but because we enjoy this preference we must work in conjunction with the department of the interior and the state department to ensure that our exports to the United States do not completely upset their markets.

We must try to achieve a just and equitable proportion of the increase in markets as they accrue, and this we have done through the process of negotiation with the department of the interior. As I said, in the third quarter we were able to get a very large share of the market in districts one to four because of the fact that there was a shortage of supply, and because new and very large capacity lines from the New Orleans area had not yet been completed. Hence we got a far greater share than would have normally been anticipated as our proportion and just share in the increased market. Now this new line from the New Orleans district is complete to the market area where we normally sell the Alberta crude, and certainly the United States department of state has expressed the hope that, now that the line is complete, Canada does not continue to take up as great a quantity in this area as they did in the third quarter.

[Mr. Woolliams.]

The negotiations are proceeding but there certainly is no unilateral cutback. It is a matter of working out a satisfactory export from Canada which is in the best interest of our producers, and in increasing sales from this area without bedevilling the game to the degree that the United States might withdraw the overland exemption. If that ever happened I am sure my hon. friend would not be at all happy because this would certainly not serve the best interests of the Alberta producers.

POST OFFICE DEPARTMENT—RECONSIDERATION OF POLICY RESPECTING RURAL MAIL CONTRACTS

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, on Friday, September 27, the Postmaster General in a brief statement to the house announced the curtailment of mail deliveries starting on February 1. The key sentences in this statement which appeared at page 496 of *Hansard* were the following:

> Deliveries of mail will not be made on Saturdays. This will include letter carrier service, parcel post and rural route deliveries.

This gives rise to any number of questions, but these are at least three of them: The hardship on those expecting six day mail delivery; what happens to the working conditions of the mail carriers; and the particular subject of this inspiring debate, namely what effect it will have on the rural mail carriers. And of course the public interest must also be considered.

My own question to the Postmaster General, among the many being put to him today, refers to the formula that would be used to achieve new contracts with rural mail carriers who have had capital expenditures on their automobiles, as a rather necessary and basic part of their contract. The Postmaster General's answer to other questions was that he was not willing to spend six days money for five days service. I would point out to him that there is a capital investment in a car. While the minister can order the rural mail carriers to deliver five days a week instead of six, he cannot stop the depreciation on the car. It will continue from one week to another.

• (10:20 p.m.)

I believe the minister will agree with me, and I think most members will agree with me, particularly those in rural or partial rural

constituencies, that the rural mail carrier does not have a happy life. He is usually in competition with somebody else before he can get a contract to deliver the mail. He usually pares the cost as close to the line as he possibly can—and sometimes goes below it, because after a period of two years these contracts are almost always renegotiated with the department itself. The rural mail carrier must take his chances on a rise in the cost of automobile licences or a change in the rate of car insurance. These things can make a very substantial difference in that gentleman's financial position.

In so far as the car itself is concerned, he has to meet monthly payments. My experience, and I dare say this has been the experience of many other members, has been that the financing of cars gives rise to more legal problems for the people across Canada than anything else. I hope therefore that in paring costs or cutting down the deliveries from six days to five, some heed will be paid by the Postmaster General and his department to the capitalization of the vehicle, whether it be a bright and shiny car or some old heap driving Her Majesty's mails down the highways and byways of this nation.

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, I do not believe the hon. member for Halifax-East Hants (Mr. McCleave) and myself are at odds on this question at all. I simply said, in reply to his question this afternoon, that obviously the contracts will have to be renegotiated. I recognize the points the hon. member has brought out, that the mail carrier is faced with certain fixed costs such as depreciation whether he works five days or six days. These costs are not going to be reduced, nor are his insurance charges. Obviously any renegotiation of the contracts will take account of these facts.

On the other hand, the mail carrier will not be working six days a week. He may or may not be in a position to find other employment on Saturday or over the week end. The point is we certainly should not allow the contracts to stand as they are because the direct, out of pocket expenses such as gas and oil and all the rest will not be expenses for that Saturday. Obviously there is room here for renegotiation. There is room for taking account of the public interest and the responsibility of the minister to act wisely as a trustee of the public funds which are placed at his disposal. There is room here for reasonable renegotiation, with all that word may imply.

As I suggested, the Post Office Department and the government are sensitive to the fact that a great many mail contractors are not gaining an adequate living. This fact raises other problems, such as whether we should not—we are doing it, by the way—conduct a complete re-examination of the rural routes as they presently exist to ascertain if it is not possible, when two contractors side by side make $3,000 or $4,000 a year each, to amalgamate the two routes and thus assure one rural mail carrier of a reasonable living.

All of these questions are to be included in a general re-examination by the department, and this examination is going ahead very rapidly. We recognize all this, Mr. Speaker, and in the bill to come down I think the hon. member will also find we have taken account of it. With regard to the precise problem he has raised, that of depreciation, we may even make some suggestions about longer contracts that will provide for a better depreciation of the contractor's equipment.

Motion agreed to and the house adjourned at 10.28 p.m.

HOUSE OF COMMONS

Wednesday, October 2, 1968

The house met at 2.30 p.m.

INDIAN AFFAIRS

STATEMENT ON REORGANIZATION OF DEPARTMENT

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, yesterday the Prime Minister stated in the house that I had planned to make a statement to the house last week concerning the reorganization of the Department of Indian Affairs and Northern Development. However, since there were many statements made on motions on Friday and because of the death of Prime Minister Johnson on Thursday, I was unable to do so. I should now like to make the statement I had planned last week.

When Indian affairs merged with northern affairs to form the new Department of Indian Affairs and Northern Development in 1966 it was intended that some reorganization be undertaken to consolidate activities that were being carried out by the various branches of the new department. Two branches were providing education services, one to Indians and the other to Eskimos. The same situation prevailed in respect of welfare services, engineering services and other services which obviously could be carried out more efficiently and more effectively if they were amalgamated. Indeed, the consolidation of activities was one of the main purposes of the government reorganization.

Proposals to effect this consolidation had been under discussion with the Treasury Board for the past year, and recently received the board's approval. The new framework recasts the organizational pattern of the department from the old one of Indian affairs branch, northern administration branch, national and historic parks branch and Canadian wildlife service to a new pattern involving three distinct program areas; first, social affairs program; second, economic development program; third, conservation program.

The social affairs program will cover education, community development, welfare, social affairs, cultural affairs and Indian trust administration. The economic program will cover major resource development in the Canadian north, industrial development for both Indians and Eskimos, land management as it applies to Indian reserves and wet-land acquisition. It will provide economic research and advice in these areas and will include the management of territorial resources and related government functions in the territories. The conservation program will include national parks, historic parks and sites and wildlife.

While this internal reorganization at headquarters involves a major regrouping of the previous programs and the branches and directorates responsible for them, the basic regional structure will not be altered although it will be strengthened to provide increased support for the department's economic and social programs. The need for an accelerated economic development program has been evident for a long time. The need for such an accelerated program to promote resource and industrial development on reserves has been emphasized by representatives of the Indian people, private individuals and groups on different occasions. The new structure of organization recognizes this need and will allow us to use our resources more flexibly and more effectively to meet this need and as well allow us to administer existing programs and programs which I will announce in the house at a future time. Also, as stated by the Prime Minister yesterday, it makes available to the Indian people the resources of the whole department rather than those provided in the past by the Indian affairs branch alone.

Mr. Speaker, I and the government are committed to consultations with the Indian people in respect of amendments to the Indian Act and in respect of major policy objectives. Since my department is held responsible for the development of programs to assist the Indian and Eskimo peoples I consider it of the utmost importance that the department be as effective as possible. I believe this reorganization will accomplish this. I have arranged to have a booklet explaining the reorganization sent to all members of the house, Indian representatives and the territorial governments. This should be received shortly.

Statement on Indian Affairs Reorganization

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I accept the sincerity of the Minister of Indian Affairs and Northern Development (Mr. Chrétien), also the sincerity of the Minister without Portfolio (Mr. Andras). But surely it is not enough to say that the Department of Indian Affairs and Northern Development has decided on its own that these structural changes were of insufficient interest to require consultation. Such an appearance of bureaucratic indifference is bad enough at any time, but it is particularly unforgiveable when it is widely known that the attitude of officials of the Department of Indian Affairs and Northern Development, rightly or wrongly, already constitutes a cause of tension between the department and the people it is supposed to serve.

Nothing will be solved by administrative changes which deepen the division between the department and the Indian communities. This careless refusal by the government to consult with the Indian community, or to take steps to inform Indian spokesmen of the changes, has added another unnecessary complication. It was caused by the kind of casual approach to the responsibilities of government that is becoming all too familiar. Canada cannot afford more tension or more delays in assisting the Indian people to achieve equality and opportunity.

• (2:40 p.m.)

The official opposition fully approves of the special assignment of a minister without portfolio to help develop an effective Indian policy, and we very much regret any indication that the government is insincere in that assignment. One of the very unhappy consequences of this more recent insistence on secrecy by the government is that it has damaged the reputation and the effectiveness of the Minister without Portfolio. The fact that the government would fail to consult even him is bound to raise suspicions that his assignment is window dressing, his influence is nil, and that he is deliberately circumvented by the minister and officials of the department of Indian affairs.

This action has also served to undermine the appearance of co-operation and good faith the government sought to achieve when with great fanfare it created national and regional advisory committees of the Indian people, for exactly the purpose of consultation. The failure to consult these committees on this matter will confirm the fear that the committees were established as another empty gesture.

[Mr. Chrétien.]

There are at least three issues here. One is the failure to consult. The second is the failure to inform the Indian people by making a deliberate point not to distribute this memorandum. Certainly there is no shortage of people to write press releases in the department of Indian affairs, and it was not budgetary restraint which kept this information from the Indian people. The third point is the content of the memorandum on reorganization itself. The minister has said the document does not concern policy in any substantive way. Let me quote from the foreword by the deputy minister of Indian affairs and northern development:

—the purpose being...to eliminate any difference in policies affecting the treatment of the Indian and Eskimo peoples."

That dedication is bound to cause concern. By statute and by treaty, commitments made to the Indian people do differ from those made to the Eskimo people. There are statutory and treaty differences which, on the face of this document and in the words of the deputy minister, the government proposes to eliminate. The word "eliminate" is a strong word, especially when it comes from a department of which the Indian people are already suspicious. The content of this document, the manner of its preparation and the refusal to put it into circulation are bound to increase suspicions and widen the gulf between the Indian peoples and the department created to serve them.

Yesterday it surprised us that the Prime Minister had no record of a request for a meeting with the Indian Brotherhood of Canada, which according to the telegram sent to me was requested at noon of the day before the question was raised in the house. The house has a right to expect advice as to whether the Prime Minister intends to act on that request and meet with representatives of the Indian brotherhood.

Second, the Prime Minister left questions unanswered concerning whether consultations occurred between the minister and the national and regional Indian advisory committees. There was an indication that the ministers would provide that information when they both returned to the house. I can only assume there has been no such consultation.

There is a very serious question as to why it is necessary to restructure the department now when we are told that the Indian Act is under substantial review. Furthermore, the Minister without Portfolio on television on

Sunday night made a serious suggestion that the reorganization ought to be postponed. I can only assume that he had his reasons. In light of his reservations and the great concern of the Indian communities, as well as the uncertainty generally about governmental policy concerning our Indian peoples, this reorganization should be reviewed immediately. There should be consultation with representatives of the Indian people. There has been consultation with the Treasury Board, but apparently with no one else. I should think there ought to be consultation also with the Minister without Portfolio.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, either this departmental reorganization is a matter of substance or it is not. If it is not a matter of substance, one must wonder why the minister and his colleagues induced the news media to give it such prominence. If it is a matter of substance, obviously the representatives af the Indian people should have been consulted, particularly in view of the pledge and commitment which this government gave to consult the Indian people. I repeat, Mr. Speaker, that they should have been consulted.

It makes nonsense of the efforts of the Minister without Portfolio, who has been charged with the responsibility of travelling this country from coast to coast to meet with the Indian people in their localities to get their views and solicit their ideas, if as we understand there is to be a fundamental reorganization in the department without the slightest bit of consultation with representatives of the Indian people. There is no excuse for this.

I notice in the written statement of the minister that the discussion with regard to consolidation and reorganization within the department have now been going on in the department for a whole year. Surely there was ample time to consult the representatives of the different Indian bands across the country. I notice, too, that the minister made reference to what he wants us to accept as fact, namely that because this government recognizes that there is a need for an accelerated economic development program for Indian reserves and for Indian people, it was felt there was some urgency in proceeding with the reorganization of the department.

I am glad to see the government admits there is need for an accelerated economic development program for Indian reserves, but precisely because economic development on reserves is a matter that is so vital and so directly concerns the Indian people one would think that at least their views would have been solicited as to the form the department's organization would take with respect to programs of economic development.

I cannot take my place, Mr. Speaker, without making reference to a plea the minister makes in the concluding paragraph of his statement. He says he must have the freedom necessary to organize the department in the manner necessary to carry out its responsibilities in the most effective way possible. That sounds to me a pretty lame sort of excuse for not consulting the Indian people with regard to this matter. The minister says he must have freedom to manoeuvre and to organize his department. We all recognize that there is need for administrative discretionary power to be exercised by the minister and his officials. We also know, however, that the plea for more freedom for those who exercise power is one that has been raised by arbitrary rulers over the centuries. I am not overstating or exaggerating the situation when I say that the plea of the minister that he must have more freedom to reorganize and set up the operations of the department is in itself not good enough.

I conclude by saying that since the government have made the commitment and the pledge, and given it so much publicity, to the effect that they intend to consult the Indian population of this country, they should honour that commitment and pledge right after having made it. So I suggest that the government start doing that, and they can begin by having the two ministers of the crown, the Minister of Indian Affairs and Northern Development and the Minister without Portfolio consult each other. I think that would be a good start.

• (2:50 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we listened carefully to the announcement made by the hon. Minister of Indian Affairs and Northern Development (Mr. Chrétien). I thank him for having sent me a copy of his statement in proper form and in English, with the words "traduction"—"translation" stamped on it. It seems to me that it would have been simpler to send me the original rather than have it translated and sent to my office. The hon. minister is making a sign to show that he does not even know what is going on in his office.

Statement on Indian Affairs Reorganization

Mr. Chrétien: Mr. Speaker, I rise on a question of privilege.

I should have liked to have had the French version myself; however, the translation was not ready and I had to read my statement in English. I would have preferred to read it in French.

Mr. Caouette: Mr. Speaker, the hon. minister should have waited until tomorrow to make his statement.

The minister intends to reorganize the Department for Indian Affairs and Northern Development and he has suggested the three following points:

1° Social Affairs Program—
2° Economic Development Program—
3° Conservation Program.

The hon. minister and his officials are right in wanting to reorganize the department, because the Indian and Eskimo problems are often brought before the house and no solution has been found yet.

The minister also said in his statement, and I quote:

[*English*]

I am committed and the government is committed to consultations with the Indian people in respect to amendments to the Indian Act and in respect to major policy objectives.

[*Translation*]

Mr. Speaker, judging by some letters addressed to me by Indians, I wonder what the consultations held until now have been like. Is an Indian from Montreal or Quebec the only one who has the right to be consulted by the government to establish the policy of the Canadian government with regard to the Indians and the Eskimos? We get complaints to the effect that only a few are consulted and that the Indian or Eskimo people as a whole are completely unaware of those meetings and discussions, and to such an extent that I ask myself quite honestly if the funds allocated to the Department of Indian Affairs and Northern Development are not used mainly to pay salaries to white people, officials of the federal government, to try to lull some Indian or Eskimo chiefs to the disadvantage of the Eskimo and Indian people of Canada.

It seems to me that it is time to act, and not in back rooms, not as a result of decisions taken without the knowledge of parliament, and especially the Indians who are demanding results.

Mr. Speaker, I hope that the statement will be useful and will not have disastrous results but good consequences, so that finally consultations will really be held between the population, between the various Indian and Eskimo organizations and the government authorities in order to find a solution to that problem and give justice to those people, as they have a right to expect.

[*English*]

HEALTH AND WELFARE

STATEMENT RESPECTING INDIAN HEALTH SERVICES

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I am now in a position to make the statement concerning Indian health services that I promised the house a week ago on Monday.

Early this year as part of the government's drive to halt inflation a general paring was made through all departments. Indian health services were involved in this as well. In an effort to maintain current standards and services within the over-all framework of government fiscal policy, directives were sent out which put forward fields of activity which could be cut back without endangering the over-all health of the Indian and Eskimo communities.

There was a good deal of protest over this from those who felt that we should not attempt in any way to economize where our native Canadians were concerned. Accordingly my predecessor made a clarifying statement to the house on March 26—

Mr. Muir (Cape Breton-The Sydneys): To whom was it clear?

Mr. Munro: —pledging that services would be maintained at their present level, and that we would make sure no individual suffers in the process of bringing spending into line. In accordance with this declaration a new set of directives were sent out to all field officers concerning these principles.

In reply to the hon. member for Brandon-Souris (Mr. Dinsdale) I might mention that the directive dated March 6, to which he specifically referred last Monday, was sent by the director of the Manitoba zone to the Indian bands in that province only. After my predecessor's remarks to the house a further correcting directive for Manitoba was sent during the latter part of April confirming the current level of services to individuals, as it was for the rest of Canada.

Replying to the question of a lack of federal-provincial consultation as implied by the hon. member for Churchill (Mr. Simpson),

which was prompted by the remarks of the Ontario health minister, Dr. Dymond, I should like to state that the field officers of my department, Drs. Thompson in British Columbia, Rath in the prairies, Butler in Ontario, Savoie in Quebec, and Hirtle in the Atlantic provinces, are in regular informal consultation with provincial deputy ministers.

In addition our Ottawa based officials have been in contact with their provincial counterparts at the last dominion council of health, at meetings of the advisory council on hospital insurance and during the general negotiations on medicare. Furthermore, the director of Indian health has been in special consultation at various times in the recent past with the provincial health departments in Saskatchewan, Quebec, Nova Scotia and Newfoundland. I myself, since assuming this portfolio, have discussed the field of Indian health with elected representatives of the provinces of Manitoba and Saskatchewan.

To be more specific about the matter raised by the hon. member, Dr. Dymond objected to a directive dated July 19 sent by our Ontario regional director, which in effect claimed provincial discrimination against reserve Indians on the question of OMSIP. The fact is that an Indian on a reserve who earns little or no taxable income is not eligible for a free or partly subsidized OMSIP certificate whereas another citizen in this indigent status, including an Indian not on a reservation, is entitled to a free or partially subsidized OMSIP card.

It is our hope for the future that the provinces extend health and medical services to reservation Indians on the same basis as they are extended to other citizens, including the same basis for payment. We feel that Indians should be full and equal citizens of the province in which they reside, and to further this intent we expect to be discussing the whole area of Indian health with the provincial health ministers before and during a federal-provincial health conference tentatively scheduled for the end of October. Pending new arrangements, it is our firm resolve to keep up our present level of services and improve them where necessary to make sure that no Indian is inadequately treated for personal health problems.

There remain two further matters mentioned in Friday's question period to clear up. First, on doctors' fees for treating indigent Indians under federal jurisdiction, I would like to say that doctors receive about 75 per cent of the provincial fee schedule in such cases, or approximately the same rate paid by either the respective municipality or province for treating non-Indians at public expense. Where the rate differs from this principle, other arrangements are made to pick up overhead costs, such as provision of clinical space.

On the second point raised by the hon. member for Brandon-Souris, that of drugs alleged to be dispensed to Indians by lay persons, I should like to say that this program in the provinces is an extension of a program long under way in our northern regions known as the lay dispenser program, which has been in effect there for over 40 years. The persons involved, after a training program at Sioux Lookout, are sent throughout the area mentioned in a recent press release to places either too small or too mobile for a permanent nursing station. The dispensers are trained to give first aid and may dispense simple drugs only on the directions of the nurses in the area with whom they get in contact by telephone to have prescriptions given. If the case is serious the nurse has the patient sent in to the nearest nursing station.

The ranks of lay dispensers are the best we can find and include licensed practical nurses, teachers, religious sisters, Indian women and ministers' wives whom we consider qualified. My department knows of no case of injury to health caused by treatment given by these people. In fact the program has been of tangible benefit to the people involved and in many cases has hastened recovery. If the hon. member knows of any specific instances where this program has resulted in any damage to any Indian's health, we will be pleased to review them. It is our information that the person who made these charges has since stated that he was not saying any deaths had resulted, but only that they theoretically might occur. As it stands, the dispensers provide better emergency medical services than are available to many other small communities in Canada.

• (3:00 p.m.)

I and the officials of my department are aware that, like any other service, there is a need for periodic review and improvement, and that Indian and northern health services is no exception. We are now conducting that review with a view to making improvements in both services, and to this end are now and have been conducting consultations with provincial authorities and, more importantly, with the heads of the Indian organizations themselves.

Statement on Indian Health Services

Mr. Robert Simpson (Churchill): Mr. Speaker, I believe the words of the minister in the statement he has just made will do little if anything to quell the great fears and tremendous concern that our Indian people have in relation to what this government are planning to do to the health services they have hitherto been providing to our Indian people. This great concern and the fears of the Indian people were, of course, generated by a directive that was put out last March 6 and to which the minister has just now referred. This directive was sent out to the health zone people in the province of Manitoba, and also to the chiefs and councillors of all Indian bands.

At the time questions were asked in the house it was our understanding that the then minister would put out a clarifying directive. To the best of my knowledge from contacting the chiefs on some 26 Indian reservations in the constituency of Churchill, Mr. Speaker, to this day no clarifying directive was ever sent to them. The Minister of National Health and Welfare has said that a directive did go out. It went out, as I understand it, merely to department officials. We have told the Indian people, as we had been advised by the minister, that this new directive would be sent to them and would be part of the consultation with the government. We on this side of the house have always maintained that no planning of this nature should be done without adequate consultation with the Indian people.

The minister has stated that on several occasions there has been some consultation. He referred to the question raised in the statement by the minister of health of the province of Ontario. He forgets though, Mr. Speaker, that the minister of health of the province of Ontario made a categorical statement that the federal government is trying to unload its traditional responsibilities for health care of the Indians and Eskimos on to the provinces without discussion or consultation.

We say, Mr. Speaker, that consultation must be had, and that it must be prior consultation. We also say there should be continuing consultation among the ministers who are concerned. It was quite clear to us on this side of the house when we raised this question last March that the then minister of Indian affairs and northern development knew nothing of the plans of the Department of National Health and Welfare to curtail certain Indian health services. So when the government across the way talks about consultation, Mr. Speaker, I suggest that they consult among themselves where this is necessary.

The minister also pointed out in regard to doctors' fees that the doctors were receiving about 75 per cent of their scheduled fees for the services they provide to the Indian people. From what we have been able to learn, Mr. Speaker, we understand that the doctors are receiving only approximately 50 per cent. I am wondering whether this is not just another indication of the feeling of this government that our Indian people are second class citizens.

As I said, Mr. Speaker, there must be consultation. The government has said in announcing these plans that they had been in the making for a long time. I wonder just how much time the government intends to spend consulting the Indian people. When you plan these things in a bureaucratic fashion for over a period of a year or two or even more you cannot expect just to meet briefly with the Indian people, ask them to assess the matter and then come up with a decision in quick order.

The minister also mentioned, Mr. Speaker, that consultation has gone on with the provinces, and I covered that point when I referred to the statement of Dr. Dymond. There may have been some talks, but from what we can find out from the provinces no one knows just who is going to pay for these services if they are shunted off as a responsibility of the provinces.

These are matters, Mr. Speaker, about which this house should know. If the provinces are going to be asked to handle these matters, and after consultation they agree to do so, then this house should know who is going to pay the cost. We should know whether the federal government is going to continue its financial responsibility. However, as I say, when dealing with matters that deviate from or abrogate treaties with our Indian people, there must be consultation. In regard to treaties Nos. 1 and 6 which deal with medical services, our Indians are certainly entitled to consultation because such services have always been accepted by them as a treaty right.

I should like to give a strictly personal opinion, Mr. Speaker, without in any way casting any reflection on language questions that are being raised in Canada at this particular time. I think we have here a pretty sad state of affairs, particularly when we are trying to get national unity. At a time when

one language group is making strong submissions to have its language not only preserved but expanded, with its protection written right into our constitution, this government is abrogating the rights of the Indian people without even consulting them. I think this is a question at which Canadians should take a good look.

In conclusion, Mr. Speaker, I hope the minister will carry on a series of consultations not only with the provincial authorities but with the Indian people themselves. They should be given time to look these questions over. The government has already deprived the Indian people of many of the hunting rights they were given under treaty. I hope the government is not now arbitrarily planning to tell the Indian people that somebody else other than the federal government is going to have to look after their medical services.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the hon. member for Churchill (Mr. Simpson) referred to the fears and concern of our Indian people which, he said, will not be allayed by the statement the Minister of National Health and Welfare has just made. I should like to add that not only are the Indian people themselves concerned about their medical services and medical treatment, but that Canadians generally are concerned about this question and are most anxious that we do the best we can in the matter of health services for our native people.

• (3:10 p.m.)

The Minister of National Health and Welfare has again tried to assure us today, as he has on previous occasions and as his predecessor tried to do, that the current level of health services is being maintained. I have followed these discussions pretty closely and have never detected any attempt on the part of the present or former minister to tell us what is meant by that statement. When we are told that the current level of services is to be maintained does that mean the current level in dollar terms, the current level in the total number of doctors and others at work in the face of increasing needs, the current level of services actually being made available to our individual Indians and others in our northern areas? That definitely ought to be made clear. Not only do we feel there should be an absolute guarantee as to these services; not only do we feel that the full level of services to our people ought to be maintained; we feel that that level ought to be improved.

When we discussed this matter last March many statistics were put on the record showing the wide gap existing between health services being made available to the Canadian population generally and the health services made available to our Indian and northern peoples. We spoke about the gap in service standards, about differences in mortality rates and so on.

We feel it is not good enough for the government to maintain the level of services which our Indian people were getting. We are ashamed of the inadequacy of that level. The whole point of the protest we made last March and the whole point of the debate at that time was that our Indians cannot get by with the sort of health service that is at present being provided. In other words, we ought to be improving the health services we make available to our northern and Indian peoples.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): Also, I support the plea which has been made by my hon. friend from Churchill who said that in this area, as in all aspects of our relations with our Indian people, there ought to be consultation with them. I trust that the Minister of Indian Affairs and Northern Development and the Minister without Portfolio have heard the message and understand that there should be consultation generally with respect to these matter. I say to the Minister of National Health and Welfare that these remarks apply in his case also.

One statement by the minister gave me particular cause for concern, a concern I have felt many times when hearing members on the government front benches speak. He expressed the hope that the provinces would make their adjustments so that Indians within the provinces would obtain the same services other Canadians in the provinces obtain. It seems to me that here again we are calling on the individuals concerned to wait until something is developed. It is not good enough, Mr. Speaker, to say to our Indian peoples "Well, if we do not do something, the provinces will." The provinces on the other hand may say "No, no. It is up to the federal government to do something." In the meantime our native peoples are not enjoying the health care and services they need. Certainly the level of those services ought not to be at

the level set last spring, but at a much higher and better level.

I am sure that we in this house who speak about this issue are supported by Canadians generally from coast to coast when we say we want a square deal in terms of health services for all our Indian and nothern peoples.

Mr. Speaker: Order, please. I think hon. members might be reminded of the provisions of our standing orders at the present time.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, like all the others who already spoke on that question, we agree on the necessity of self determination for Indians and Eskimos, but I would like to emphasize one point.

The government intends to gradually shift its responsibilities for Indians onto the provinces, as is the case for Quebec, for instance, which has been insisting for some years on assuming the whole responsibility for Indians and Eskimos on its territory. It is obvious that, before a decision is taken, agreements should be prepared in conjunction with provincial governments, agreements which could be negotiated afterwards with the people concerned, the Indians and the Eskimos.

As far as the Eskimos in northern Quebec are concerned, I can speak with full knowledge of the facts, as I have an Eskimo sister-in-law. I have heard a lot about the problems of the Eskimos and, frankly, I believe that the policy established for years has encouraged a certain decay. From now on any policy in that regard should have as its essential object to safeguard the original culture and mentality of the people who will thus greatly enrich the whole country.

[*English*]

WATER RESOURCES

TABLING OF INTERIM REPORT ON LAKE AND RIVER POLLUTION

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, with the permission of the house I wish at this time to table the second interim report of the Canadian-United States International Joint Commission on the pollution of lake Erie, lake Ontario and the international section of the St. Lawrence river.

Mr. Speaker: Has the minister leave to table this document?

Some hon. Members: Agreed.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Speaker: I wonder if hon. members wish me to comment briefly on the matter of ministerial statements. I do not wish to lecture hon. members in any way, but I refer hon. members to the provisions of standing order 52 which says, in part, that ministerial statements should be limited to facts which it is deemed necessary to make known to the house, and should not be designed to provoke debate at this stage; also that replies by spokesmen on behalf of parties in opposition should be brief.

I realize it is easy to provoke debate; at the same time brevity of speech is a relative concept in the House of Commons.

Some hon. Members: Oh, oh.

Mr. Speaker: I feel that some of the statements or comments which have just been made did not conform entirely with the spirit of standing order 52. I submit that hon. members might keep these comments in mind on other occasions.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

COST OF PERFORMING ARTS CENTRE

Question No. 1—**Mr. MacRae:**

1. What has been the total cost to July 31, 1968 of the National Centre for the Performing Arts?

2. What is the estimated final cost of this project?

Hon. Arthur Laing (Minister of Public Works): 1. $35,691,287.

2. Theatre buildings, $38,922,000; parking garage, $3,606,000; equipment and furnishing, $3,898,000; total, $46,426,000.

MARRIED QUARTERS FOR ARMED FORCES

Question No. 58—**Mr. Forrestall:**

1. Has the Department of National Defence issued directives to all, or any of the residents in Service Married Quarters, regarding the length of time they are permitted to hold such accommodations and, if so (a) when was this order issued, by whom and under what policy would such action be taken (b) is the Department or any other branch of government now giving consideration to the location of adequate alternative housing, particularly for those families with large numbers of children (c) to how many people and at what Canadian Force Bases have such notices been circulated?

2. Is active consideration being given now to expanding the facilities now available for the serving Forces?

Hon. Léo Cadieux (Minister of National Defence): 1. Yes, in May 1967, a Canadian Forces administrative order was issued to all formations on the authority of the chief of defence staff, which permits the officer commanding a command to limit married quarters' continuous occupancy to five years, or such longer period as he considers appropriate. Prior to May 1967, an identical order was in effect for the R.C.N. but not for the army and R.C.A.F. The authority to limit married quarters' occupancy was introduced so that all members of the forces should be given an equal opportunity of sharing the limited number available.

This order has been invoked by the officer commanding maritime command in regard to married quarters at CFB Halifax and Shearwater.

A survey of the 1922 married quarters administered by CFB Halifax revealed that 69 service personnel have occupied married quarters for periods ranging from nine to sixteen years.

In view of the long waiting list, the officer commanding maritime command ruled, in accordance with the CFAO, that personnel who have occupied married quarters continuously for ten or more years must vacate so that others may benefit from available housing at reasonable rent. Consequently on August 1, 1968, the 69 service members mentioned above were given one year's notice to vacate. To date none of these have requested assistance in finding alternate accommodation. However, each case is being dealt with on its own merit and it is not anticipated that any undue hardship will result.

At CFB Shearwater, the survey revealed that occupancy of the 301 married quarters available varied considerably depending upon rank, size of family and other circumstances.

However, in accordance with the directive issued by the officer commanding maritime command some of those who received notice under the previous R.C.N. order have had it rescinded, e.g., one family with five children, although having more than ten years' occupancy, has been granted an additional year of tenure because they were unable to locate housing and the man was posted to sea duty. Ten families were given one year's notice on August 1, 1968. To date none have requested assistance.

2. Yes, every effort is made to improve the housing situation throughout the forces, within the limitations of the defence budget.

FISH CATCH, LITTLE HARBOUR, N.S.

Question No. 59—**Mr. Forrestall:**

At Little Harbour, Nova Scotia, what constituted the total catch by species and what was the total under each, in terms of pounds and dollars, in each of the past five years?

Hon. Jack Davis (Minister of Fisheries):

LANDINGS AND LANDED VALUE 1963-67—LITTLE HARBOUR, HALIFAX COUNTY, N. S.

	1963		1964		1965		1966		1967	
	'000 lbs.	$	'000 lbs.	$	'000 lbs.	$	'000 lbs.	$	'000 lbs.	$
Cod	73	2,869	114	4,630	130	5,886	54	2,701	90	4,578
Pollock	137	3,964	2	72	17	522	14	420	4	118
Herring	237	3,060	88	1,399	36	820	140	2,480	44	703
Mackerel	155	5,076	158	6,097	303	10,527	304	12,758	503	22,779
Salmon	1	919	2	967	3	1,722	3	2,101	6	3,342
Lobster	156	79,265	67	38,936	62	39,760	28	17,439	32	24,412
Other	12	971	40	1,231	2	259	40	1,464	20	873
TOTAL	771	96,124	471	54,332	553	59,496	583	39,363	699	56,805

CANADIAN AID TO TANZANIA

Question No. 94—**Mr. McIntosh:**

1. What is the total extent of Canadian aid to Tanzania for the calendar year 1968?

2. Of the total amount, what proportion, in dollars, is provided under external aid and what proportion under military appropriations of National Defence?

3. What are the terms of the recent five year agreement signed between Canada and Tanzania for development planning?

4. What is the number of Canadian personnel, Defence and non-Defence stationed in Tanzania at the present time and to what departments of the Canadian Government are they responsible?

Questions

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1.

	1967-68 (Disbursed) $	1968-69 (Estimated) $
Grant aid	1,916,000	2 million
Development loans	1,777,000	1 million
Military assistance	2,760,761	2,697,000
Total	6,453,761	5,697,000

Note: As aid programs are funded on the basis of the Canadian fiscal year, the figures cited above are for the fiscal years 1967-68 and 1968-69.

2. In the fiscal year 1967-68, the total of $3,686,000 economic assistance was provided from external aid office appropriations. This includes the grant aid and development loan components of our assistance to Tanzania. The military assistance funds are a charge on the appropriations of the Department of External Affairs.

3. The external aid office has signed an agreement with the Tanzanian authorities establishing the terms of reference of a five year technical assistance project in the field of development planning. Under the terms of this project agreement a four man team of Canadian experts will be provided to assist the ministry of economic affairs and development planning in Tanzania in analyzing and evaluating as to priority, development projects proposed by various Tanzanian ministries. The team will assist in completing Tanzania's next five year development plan.

The team will be recruited and administered on behalf of the external aid office by the University of Toronto; the university will also provide research facilities to assist the team in its work. The project will be directed by Dr. T. Easterbrook, chairman of the department of political economy at the University of Toronto, assisted by Professor Nowlan of the same department. Both have extensive experience in Tanzania.

4. Canadian personnel in Tanzania

	No. of personnel
(A) Canadian high commission	14
(B) Canadian armed forces training team	89
(C) External aid office contract employees	72

[Mr. McIntosh.]

(A) The personnel of the Canadian high commission report to the high commissioner and through him to the Department of External Affairs.

(B) The commander of the team reports to the Canadian government through the Canadian high commissioner in Tanzania.

(C) The employees on contract to the external aid office are subject to the term of their contracts, which can vary from individual to individual.

*SNOW REMOVAL, MONTREAL ORDNANCE DEPOT

Question No. 109—**Mr. Ricard:**

During the winter of 1967-68, to whom was the contract awarded for snow removal at the Montreal Ordnance and what was the price?

Hon. Don Jamieson (Minister of Defence Production): Mr. Speaker, the contract for snow removal at the Montreal ordnance depot was awarded to Panzini Limitee, 2475 Jette street, Montreal, Quebec. The cost was $19,822.

ASSISTANCE ACT PAYMENTS TO NEWFOUNDLAND

Question No. 111—**Mr. McGrath:**

What is the total amount of money paid to the Province of Newfoundland by the federal government under the Canada Assistance Act for the fiscal years 1963-64, 1964-65, 1965-66, 1966-67 and 1967-68?

Hon. John C. Munro (Minister of National Health and Welfare): Attached is a table showing the federal payments to the province of Newfoundland authorized under the Canada Assistance Plan for the fiscal year 1967-68 and under the public assistance programs (unemployment assistance, old age assistance, blind persons allowances and disabled persons allowances) for the fiscal years 1963-64 to 1967-68 inclusive.

Provision is made under the Canada Assistance Plan legislation for the above mentioned programs to be continued as separate programs or, at the option of the provinces, to be integrated into a general assistance program under the Canada Assistance Plan.

[*Translation*]

FEDERAL PAYMENTS TO THE PROVINCE OF NEWFOUNDLAND
FISCAL YEARS 1963-1964 TO 1967-1968

Fiscal Year	Unemployment Assistance	Old age Assistance	Blind persons Allowances	Disabled persons Allowances	Canada Assistance Plan	Total
	$	$	$	$	$	$
1963-1964	4,512,494	1,945,021	246,924	587,092	—	7,291,531
1964-1965	4,704,419	2,220,908	300,474	750,279	—	7,976,080
1965-1966	4,478,046	2,121,068	304,203	804,197	—	7,707,514
1966-1967	9,947,909	1,675,756	292,223	833,340	—	12,749,228
1967-1968	—	985,356	285,162	465,500	17,901,873	19,637,891

LEASES IN BANFF AND JASPER PARKS

Question No. 114—**Mr. Paproski:**

1. What is the present federal government policy regarding the awarding of leases to hotel and motel operators in (a) Jasper National Park (b) Banff National Park?

2. What are the financial conditions precedent to the awarding of hotel and motel operators' leases in the above-mentioned parks?

3. What is the present period of leases?

4. What is the procedure as to calling tenders?

5. To what parties, groups or individuals have leases been awarded in each of the above parks in the last five years?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. In Banff and Jasper national parks public calls for tenders are made when new park lands are being offered for hotel and motel development by private enterprise. The tenderer making the most acceptable proposal is awarded a commercial lease. Proposals are assessed on the basis of the proposed annual ground rental rate and/or proposed concession fee based on a percentage of gross annual receipts from all sales and services; compatibility of architectural and landscaping designs to the motif of the area; number of units of accommodation to be developed; schedule of development to provide the number of units of accommodation proposed for the site; quality of service and rates to be charged to the public; quality of furnishings and equipment to be provided; demonstrated ability to finance, manage and operate the concession at the amount tendered.

If no acceptable proposals are received, or if the department is unable to negotiate acceptable terms with tenderers, the department may then negotiate with any interested party on a first come, first served basis for the opportunity to develop the land. In such cases the requirements of the tender call are used as the basis for negotiation.

2. Those tendering on visitor accommodation concessions must make a deposit in the form of an acceptable cheque, money order or draft made payable to the Receiver General of Canada in the amount specified in the call for tenders. Tenderers must show proof of financial capability to construct, equip, and operate the facilities.

3. Commercial leases are for periods of up to 42 years.

4. The department's requirements are defined and terms and conditions established. Then there is a public call for tenders by posting of notices in public buildings and by placing of advertisements in the major newspapers published within the region. Also, copies of the notice are sent to parties who have indicated an interest in such a development.

5. Leases for hotel or motel facilities have been awarded to the following parties between September, 1963 and September, 1968: (a) Jasper National Park; Jas-Day Investments Ltd; Tonquin Valley Motel Ltd. (b) Banff National Park; Mountaineer Motel Company Limited.

CLOCK REPAIR, DARTMOUTH FEDERAL BUILDING

Question No. 129—**Mr. Forrestall:**

1. How long has it been since the clock on top of the Dartmouth Federal Building ceased to run?

2. Is it to be repaired and, if so, when and at what cost?

3. Why has there been a delay in repairing it?

Questions

Hon. Arthur Laing (Minister of Public Works): 1. Three years.

2. No.

3. Excessive cost of repairs.

INDIAN ADVISORY BOARD

Question No. 149—**Mr. Dinsdale:**

1. For each year, since it was established, how many times has the National Indian Advisory Board met and what was the place, purpose and date of each meeting?

2. Who are the members of the National Indian Advisory Board?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Since it was established, the National Indian Advisory Board met as follows: (a) in Ottawa, January 10 to 12, 1966. This meeting was held for the purpose of describing to the board the programs and priorities of the Indian affairs branch. (b) in Ottawa, September 19 to 23, 1966. The main purpose of this meeting was to discuss the Indian Act. (c) in Winnipeg, December 5 to 9, 1966. The main purpose of this meeting was to discuss the Indian Act. (d) in Ottawa, May 1 to 5, 1967. This meeting was for the purpose of holding discussions on several topics including long term objectives in Indian affairs, the Migratory Birds Convention Act and consultation and communication. (e) in Ottawa, August 2 to 4, 1967. The purpose of this meeting was to hold discussions on several topics including the role of the regional Indian advisory councils and the Migratory Birds Convention Act.

2. The members of the National Indian Advisory Board, as of the last meeting, August 2 to 4, 1967, were as follows: Maritimes: Mr. Wallace Labillois; Quebec: Mr. James Gaspé, Mr. Aurelien Gill; Ontario: Mr. Arthur Anderson, Jr., Mr. Monroe Linklater, Mr. Wilmer Nadjiwon, Mr. Ralph Bruyere; Manitoba: Mr. A. E. Thompson, Mr. Cornelius Bignell; Saskatchewan: Mr. Walter Deiter, Mr. Ernest Mike; Alberta: Mr. Maurice McDougall, Mr. Mike Oka; B.C. and Yukon: Mr. George Manuel, Mr. Phillip Paul, Mr. Kenneth Harris, Mrs. Clara Tizya; District of Mackenzie: Mrs. Agnes Casaway.

*MEDICAL RESEARCH COUNCIL

Question No. 170—**Mr. Fairweather:**

1. Will future heads of the Medical Research Council continue to report directly to a Minister of the Crown or to the Deputy Minister of National Health and Welfare?

[Mr. Forrestall.]

2. Will the Council and its advisory panels continue to be the sole authority over award of money granted by Parliament for Medical research?

3. Will the composition of the Council and its assessment committees continue to be drawn mostly from senior men and women in university and scientific institutions?

[*Translation*]

Mr. Rosaire Gendron (Parliamentary Secretary to Minister of National Health and Welfare): 1. The president of the Medical Research Council reports directly to a minister of the Crown, in this case to the Minister of National Health and Welfare.

2. The appropriation of the credits voted by parliament for the outside research program of the Medical Research Council will continue to come under the jurisdiction of the Council.

3. The members of the Medical Research Council and its assessment committees will continue to be chosen among the scientists in our universities and scientific institutions.

[*English*]

EXPERIMENTAL USE OF DRUGS TO PREVENT HEART ATTACKS

Question No. 179—**Mr. McCleave:**

Will the government make any financial contribution to the proposed experiments, dealing with possible use of potassium drugs to prevent heart attacks, to be carried out by Dr. Hans Selye of the Institute of Experimental Medicine and Surgery at the University of Montreal?

Hon. John C. Munro (Minister of National Health and Welfare): In so far as the Medical Research Council is concerned, Dr. Selye has made no application for funds for the support of this phase of his research although he does receive substantial support for his research in the field of calciphylaxis and aging.

CANADIAN PARTICIPATION IN U.S. TRAINING PROGRAMS

Question No. 181—**Mr. Lambert (Edmonton West):**

1. Has the Minister or any of his military advisors decided against further participation by Canadian Service personnel in a number of American military training programs, whether relatively free or at a stated price?

2. Specifically what is the degree of future Canadian participation in such training programs as Course 1181 at Fort Bliss, Texas, a missile guidance training program, in which Canada is not now represented?

3. Has the retrenchment in participation in U.S. based training programs resulted in a cut back in the free flow of information to Canadian forces personnel in the relative sectors of military training and equipment?

Hon. Léo Cadieux (Minister of National Defence): 1. No. Canadian Forces personnel participated in United States military training programs only when similar training is unavailable within Canadian resources. The extent of this training is governed by the availability of funds to cover tuition fees, travel and temporary duty expenses. There has been no other reason to limit participation provided a valid training requirement is established.

2. Attendance at various courses outside of Canada are reviewed annually to determine their relative importance and priority. Two Canadian Forces officers have just completed the guided missile systems officer course 4F-1181 at Fort Bliss, Texas. No candidates are planned for the next course. Should this course be considered necessary in the future it will be included again in the annual review of training programs.

3. No. Canadian defence liaison staff, Washington, and the exchange and liaison program provide excellent channels of communication for relevant training information.

TRANSPORT TANKER AIRCRAFT

Question No. 182—**Mr. Lambert (Edmonton West):**

1. Has any progress been made since November 1967 in formulating a firm proposal for the procurement of a number of transport tanker aircraft for refuelling use with the CF-5 in view of the fact that any C-141 aircraft were not obtainable?

2. Is there now under study a firm proposal to obtain K-135 aircraft with a speedier and more powerful power plant more suitable to Canada's stated requirements and, if so, what are the details of the proposal—viz: number of aircraft, cost thereof, delivery dates, etc.?

Hon. Léo Cadieux (Minister of National Defence): 1. Studies are still in progress and various options are being considered.

2. The KC-135 aircraft is out of production.

PENSION APPEAL BOARDS, LOTBINIÈRE CONSTITUENCY

Question No. 191—**Mr. Fortin:**

1. How many commissioners are there on the Canadian Pension Commission?

2. Are there any appeal boards located in the federal constituency of Lotbinière?

3. If so (a) in what cities are they located (b) what is the address of each (c) what is the telephone number (d) what is the name of the person in charge of each?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): 1. 16.

2. No.

3. All members of the Canadian Pension Commission, including those who sit on appeal boards, are located in Ottawa. The three man appeal boards of the commission travel from Ottawa to centres across Canada hearing appeals.

SECOND NATIONAL PARK, SASKATCHEWAN

Question No. 199—**Mr. Southam:**

1. Is it the intention of the government to establish a second national park in the province of Saskatchewan this year?

2. If so, where will it be located and when will the development commence?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The government has no plans for establishing a second national park in the province of Saskatchewan this year.

2. N/A.

INCREASE IN FAMILY ALLOWANCES

Question No. 225—**Mr. Gauthier:**

Has the government considered increasing family allowances relative the cost of living and, if so, when would such a policy be initiated?

[*Translation*]

Hon. John C. Munro (Minister of National Health and Welfare): As this is a matter of government policy any proposed legislation would be announced by the government at the appropriate time.

[*English*]

PROTESTS AGAINST BREAD PRICE INCREASE

Question No. 241—**Mr. Dinsdale:**

1. Has the Minister for Consumer and Corporate Affairs received any protests over the two cent per loaf increase announced by two major bakeries in Western Canada recently?

2. What action has the Minister for Consumer and Corporate Affairs taken to deal with this inflationary increase in the price of "the staff of life"?

3. Does the Minister for Consumer and Corporate Affairs intend to investigate the loss leader tactics employed in the sale of bread in the light of this recent price increase?

Orders for Returns

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. Yes.

2. It is the policy of the director of investigation and research under the Combines Investigation Act to scrutinize all significant price movements which come to his attention for the purpose of considering whether they reflect a breach of the act and he will take any action that may be required under the act.

3. The Combines Investigation Act does not make the use of loss leader tactics, as such, an offence. However, section 33A of the act does prohibit certain forms of predatory pricing. The director of investigation and research under the act will continue to keep the situation under review and will take any action that may be required under the act.

QUESTIONS PASSED AS ORDERS FOR RETURNS

SENIOR MILITARY APPOINTMENTS

Question No. 144—**Mr. Forrestall:**

1. In descending order of importance, which are the top 200 senior military appointments within the Department of National Defence and the Canadian Armed Forces?

2. Of these 200 posts (a) how many are restricted to officers of a particular element of the Service (b) how many are restricted to aircrew (c) how many are restricted to Technical Officers (d) to Engineers (e) to any other list/branch (itemize) (f) how many are open by competition to officers of all three elements of the Service (g) how many require operational (Aircrew) experience as a prerequisite?

3. How many of the present incumbents in these 200 positions have engineering or science degrees, are Pilots, Radio Navigators, Technical Officers, and Engineers respectively?

4. How many of the 200 positions during the past 5 years were held in each element of the Service, by officers who were Pilots, Radio Navigators, Technical Officers and Engineers?

5. Of the top 200 military posts held by the air element of the Service, what was the list/branch specialty of each of the last 4 incumbents for each position?

6. For each month since June, 1966, how many officers in each element of the Service, have been released under QR&O Table Art. 15.01 Item 4(a), 4(b), 4(c) and Item 5(a), 5(b), 5(c) who were Technical Officers possessing Engineering degrees, Technical Officers other than those in categories (a), and (b), Pilots and Aircrew Officers other than Pilots, Dentists and Doctors?

7. For each month since June 1966, how many officers have been recruited into each element of the Service as Tech/Tel Officers, Technical Officers, Pilots, Aircrew other than Pilots, Dentists and Doctors?

8. How many Technical Officers as of January 1, 1968, are serving in each of the land, sea and air elements of the Service at the rank of Colonel and above, Lieutenant-Colonel, Major and Captain and below?

9. How many officers, as of January 1, 1968, in each element of the Service serving in the ranks of Colonel and above, Lieutenant-Colonel, Major and Captain and below respectively are Tech/Tel Officers, Tech/AE Officers, Tech/Arm Officers, Technical Officers in categories other than (a), (b) and (c), Pilots, Radio Navigators, Aircrew other than (e) and (f), Medical Officers, Legal Officers and Chaplains?

10. How many officers, as of January 1, 1968, are there in the Technical and Aircrew categories possessing engineering and/or science degrees?

Return tabled.

REGIONAL INDIAN ADVISORY COUNCILS

Question No. 152—**Mr. Dinsdale:**

1. For each year since they were established, how many times have the Regional Indian Advisory Councils met and what was the place, purpose and date of each meeting?

2. Who are the members of each of the Regional Indian Advisory Councils?

Return tabled.

UNEMPLOYMENT INSURANCE FUND, LOTBINIÈRE CONSTITUENCY

Question No. 160—**Mr. Fortin:**

1. What was the total amount of contributions to the Unemployment Insurance Fund by citizens of the federal constituency of Lotbinière during 1965-66-67-68?

2. What was the employers' share?

3. What was the workers' share?

4. What was the government's share?

5. What amount was paid in benefits from the Unemployment Insurance Fund during 1965-66-67-68 (a) for all of Canada (b) for each of the provinces (c) for the federal constituency of Lotbinière?

6. How many claimants in each of the provinces and in the federal constituency of Lotbinière received these benefits?

Return tabled.

• (3:20 p.m.)

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): The notices of motions Nos. 6 and 13 are acceptable to the government, subject to the usual reservations concerning privileged papers and the consent of the relevant government authorities.

Would Your Honour be kind enough to call notice of motion No. 10.

I ask, Mr. Speaker, that the remaining notices of motions be allowed to stand.

[*English*]

NAICAM, SASK., MILITARY INSTALLATIONS

Motion No. 6—**Mr. Burton:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all agreements between the Government of Canada and the Government of the United States of America with respect to the location of military installations or military training installations a Naicam, Saskachewan and/or Broadview, Saskatchewan.

Motion agreed to.

CANADIAN FORCES BASE, RIVERS, MAN.

Motion No. 13—**Mr. Stewart (Marquette):**

That an Order of the House do issue for copies of all letters and other communications received by the Government of Canada since July 1st, 1968, with respect to the Canadian Forces Base at Rivers, Manitoba, and the replies thereto.

Motion agreed to.

ASSISTANCE TO MAPLE PRODUCTS PRODUCERS

Motion No. 10—**Mr. Fortin:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence, telegrams or other documents exchanged between the Minister of Agriculture of Canada and the Minister of Agriculture of the Province of Quebec since January 1, 1965, relating to the request for assistance to the producers of maple sugar and syrup.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, with regard to this motion I am advised by my departmental officials that there is no such correspondence on record. I would therefore ask the hon. member if he would be agreeable to having this motion withdrawn, since it would be a nil return.

[*Translation*]

Mr. Speaker: Is the motion withdrawn?

Mr. André Fortin (Lotbinière): Mr. Speaker, since there is no document whatsoever in this case, I willingly advise the minister that this notice of motion can be withdrawn.

[*English*]

Order discharged and motion withdrawn.

EXTERNAL AID

STATEMENT RESPECTING PREFERENCE IN WORLD BANK LOANS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Acting Prime Minister, who I am delighted to see in the house apparently unbruised after returning from hostile territory. Could the hon. gentleman say whether the Minister of Finance was speaking for the government of Canada when he specifically endorsed Robert McNamara's plan to give first preference for world bank loans to countries which are willing to bring in programs of population control; and will the Acting Prime Minister say whether the Minister of Finance was stating the official policy of the government of Canada and of the Department of External Affairs?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have not had an opportunity to see or read what the Minister of Finance said, but certainly he is there representing the government of Canada and in the statements he would make in respect to those matters under his jurisdiction, including financial matters of various sorts, he would be speaking on behalf of the government of Canada.

Mr. Stanfield: For clarification, Mr. Speaker, then can we assume that this was an authorized statement?

Mr. Hellyer: I would not want to comment specifically without having a chance to see it, but I am sure the Minister of Finance, who is a most responsible and alerted minister, would not say anything that was not completely in accordance with government policy.

Mr. Stanfield: In view of this being the apparent policy of the government of Canada with regard to world bank loans, could the Acting Prime Minister indicate whether the government intends to apply this policy to Canada's own policy of foreign aid?

Mr. Hellyer: No, I am not in a position to comment, Mr. Speaker, but this is not a new question. It is one which has been raised from time to time throughout the years. It has been commented on by U. Thant, Secretary General of the United Nations, and is a matter of real concern to many people in many parts of the world.

Mr. Diefenbaker: And a very wrong principle.

Mr. Stanfield: Mr. Speaker, I am simply seeking information. Perhaps the Acting Prime Minister could take the question under notice and he himself, or the Prime Minister upon his return, advise the house whether this is the policy of the government.

Inquiries of the Ministry

AIR CANADA

WINNIPEG—REQUEST FOR STATEMENT RESPECTING OVERHAUL BASE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Acting Prime Minister in his capacity as Minister of Transport. Is he yet in a position to make any statement regarding the future of Air Canada's maintenance and overhaul base at Winnipeg?

Hon. Paul Hellyer (Minister of Transport): There is nothing I can add to my previous statement, Mr. Speaker. The question is under immediately active consideration at the present time. There are alternative proposals being studied by the government and by the committee which had been formed but which now, regrettably, is operating without the direct assistance of the province of Manitoba. I still hope we will be in a position to make an announcement soon.

Mr. Knowles (Winnipeg North Centre): As a supplementary question, Mr. Speaker, may I ask if there has been any consultation either on the part of Air Canada or on the part of the government with the unions that are affected, since I raised this matter last week?

Mr. Hellyer: I cannot answer that question specifically, Mr. Speaker.

Right Hon. J. G. Diefenbaker (Prince Albert): As a supplementary question I would like to ask the minister whether the delay in this regard results from the fact that a task force has been set up to determine the course of Air Canada and the suggestion made by the chairman of that committee during the election campaign that he believed in a merger of Air Canada and C.P. Air Lines. Is that merger under consideration?

Mr. Hellyer: The first question, Mr. Speaker, as I understood it, asked if there was any connection between any delay with regard to an announcement concerning the future of the base at Winnipeg and the interesting proposition put forward by my colleague the Minister without Portfolio (Mr. Richardson), and the answer is no.

Hon. George Hees (Prince Edward-Hastings): As a supplementary question, Mr. Speaker, when the government is considering the replacement of the president of Air Canada does it intend to decide this important matter on the basis of merit only, and will political patronage be kept out of it?

Mr. Speaker: Order, please.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wish to direct a supplementary question to the Minister of Transport. While the different possibilities regarding the Air Canada overhaul base at Winnipeg are being considered, actively considered, under immediately active consideration, etc., will the minister give the assurance that no more employees of Air Canada will be transferred elsewhere from Winnipeg?

Mr. Hellyer: I cannot give a categorical assurance, Mr. Speaker, but I can tell my hon. friend what I am sure he already knows; that we have been getting the co-operation of the company in the last few weeks in respect of this matter. Every effort is being made to reach a decision so the employees in Winnipeg will know what options are available to them.

Mr. Knowles (Winnipeg North Centre): But no consultation with them

Mr. W. B. Nesbitt (Oxford): As a supplementary question, Mr. Speaker, in view of the fact that many things in Air Canada seem to have come to a standstill, how soon will the minister be able to announce the name of the new president of Air Canada?

Mr. Hellyer: Mr. Speaker, I have nothing to add to the Prime Minister's statement to the house with respect to this matter.

Mr. R. Gordon L. Fairweather (Fundy Royal): How does "immediately active consideration" differ from plain consideration?

[*Translation*]

TRADE

PLUTONIUM—REPORTED SALE BY U.S. AT HIGHER PRICE

On the orders of the day:

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I should like to direct a question to the honourable minister of Industry, Trade and Commerce.

Could he tell the house why the United States is selling plutonium at $43 per gram whereas Canada got only $22 per gram for the plutonium sold to France?

Mr. Speaker: Order. The member's question, if in order, should be put on the order paper.

[*English*]

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. Would the minister comment on the significance of the unusual policy of the wheat board of having lower grades of wheat predominate at export outlets, and say whether it indicates a change in the export pattern?

Mr. Speaker: I wonder if the hon. member would not agree that the question as asked is not in order. The hon. member cannot ask a minister to comment about a statement such as the one to which he referred.

NORTHERN AFFAIRS

PANARCTIC OIL—REQUEST FOR INQUIRY INTO EMPLOYMENT POLICY

On the orders of the day:

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I wish to direct a question to the Minister of Labour. I believe the matter is urgent. It arises as a result of the many statements evolving around the Panarctic Oil project. Would the minister undertake to commence an investigation for the purpose first of determining whether the government has been guilty of or has condoned discriminatory practices against Eskimos, as recently alleged; and second, ascertaining the benefits or otherwise derived by Eskimos in the Northwest Territories from the Panarctic Oil project and whether such persons have been affected by discriminatory practices?

Hon. Bryce S. Mackasey (Minister of Labour): I think the suggestion of the hon. member is very commendable. I will refer the matter immediately to the fair employment practices branch of my department for investigation.

NATIONAL CAPITAL

INQUIRY AS TO ESTABLISHMENT OF PARLIAMENTARY COMMITTEE

On the orders of the day:

Mr. Barry Mather (Surrey): Mr. Speaker, I wish to direct this question to the attention of the Minister of Forestry and Rural Development. Is he prepared today to make a report to the house which he indicated last week that he hoped to be in a position to make about this time in respect of the setting up of a parliamentary committee on the national capital?

Inquiries of the Ministry

Hon. Jean Marchand (Minister of Forestry and Rural Development): No, Mr. Speaker, I am not ready.

LABOUR CONDITIONS

ONTARIO—DENIAL OF RETRAINING OPPORTUNITY TO CHRYSLER WORKERS

On the orders of the day:

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address this question to the Minister of Manpower and Immigration. Would the minister advise the house whether any further consideration is being given to the plight of over 300 Chrysler workers who have been denied the opportunity to upgrade their education or to complete grade 12?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, as you know we are undertaking quite an ambitious training and retraining program in the province of Ontario. In the first six months of this year we have put several thousand persons in place for training. I shall be happy to consider this request in the light of the over-all program.

STEPS TO RELIEVE UNEMPLOYMENT IN SHIPBUILDING INDUSTRY

On the orders of the day:

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, my question is for the Minister of Defence Production. Following the recent meeting of the minister, the Minister of Transport and the Minister of Industry, Trade and Commerce with representatives of the Canadian Shipbuilding Association, could the minister now advise us what steps the government is taking to alleviate the unemployment in the shipyards of Canada which has been referred to as perilous?

Mr. Speaker: Order. I hesitate to make this suggestion, but the minister may wish to make a statement on motions.

REQUEST FOR FAIR EMPLOYMENT PRACTICES LEGISLATION

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Labour. In view of charges of sex discrimination in employment which was made yesterday by the president of the Canadian Labour Congress, and in view of the need to ensure that women workers will

receive equal pay for comparable work and equal opportunity in respect of hiring and advancement, will the government consider the enactment of a fair employment practices act?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, 23 years ago I learned not to argue with a woman. I think the idea is commendable. I should like to refer the hon. lady to the remarks made at ten o'clock last evening by the hon. member for Notre-Dame-de-Grâce in respect of this subject and my opinion on the matter.

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I should like to ask the minister whether the contractors working on federal-provincial road renewal projects are permitted to pay their employees wages considerably below the prevailing rates, as is now the case in St. John's, Newfoundland?

Mr. Mackasey: Mr. Speaker, we do have a minimum wage which we enforce quite rigidly. We do have, I must admit, a problem in respect of federal-provincial projects, but where there are any deviations permitted they are usually allowed only to give the working force in a particular area as much work as possible. I am not aware of the particular situation to which the hon. member alludes. If he will bring it to my attention I shall give him an answer as soon as possible.

INDIAN AFFAIRS

REQUEST FOR RECONSIDERATION OF DEPARTMENTAL REORGANIZATION

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, as a quadruple Indian chief naturally I am interested in the Indians. I should like to ask the minister—and I do so with great respect for the industry which he is applying to his portfolio—whether because of the deep uncertainty among Indians everywhere across Canada he would give consideration to holding back the reconstruction or regeneration of the Indian department and himself pay a visit to the various major Indian reserves across Canada, in order to obtain the views of the Indians rather than the views of civil servants.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, as "Chief Gooslap" a title given to me recently I am happy to answer the right hon. member for Prince Albert.

This reorganization, as I said earlier, has no other purpose than a more efficient administration of the department here in Ottawa. We have no intention of changing the situation in the reserves among Indian bands. We intend to maintain the same system but as we had in Ottawa education services for Eskimos, education services for Indians, an engineering service for Indians and one for Eskimos, etc., in short, as there was a duplication of services, we decided to amalgamate them to enable Canada's Indians and Eskimos to be better served by the headquarters in Ottawa.

[*English*]

Mr. Diefenbaker: If the course the minister is following is as simple as he says it is, has he consulted with the general factotum, the Minister without Portfolio, and has he yet been able to convince that gentleman who is close to the Indians that the policy the minister has in mind is the correct one?

Mr. Speaker: Order, please.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a supplementary question to the hon. Minister of Indian Affairs and Northern Development, whom I congratulate on being chosen chief of an Indian tribe; it suits him very well.

I would like to know whether, in view of the statement he has just made, the minister intends to make financially possible for the Indians what is physically realizable.

[*English*]

INDUSTRY

URANIUM—POSSIBLE PRODUCTION INCREASE FOLLOWING PLUTONIUM SALE

On the orders of the day:

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. As a result of the sale of plutonium to France has any new allocation been made or will one be made to producers of uranium for the sale of their product?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I do not think the sale of uranium is in any way necessarily tied to the plutonium sale. The plutonium sale was an independent sale. As

hon. members know, the international safeguards were adhered to in that particular sale. It is not in any way tied to, nor does it necessarily connote, any new or future sale or arrangement.

Mr. Harkness: I think the minister knows that plutonium is derived originally from—

Mr. Speaker: Order, please.

Mr. Harkness: May I ask the minister whether he intends to acquire new supplies of uranium in order to replace the plutonium which has been sold?

Mr. Speaker: I suggest to the hon. member that his supplementary question might be placed on the order paper.

Mr. Harkness: I should like to ask another supplementary. Was this sale of plutonium made at a very substantial reduction from the going price?

Mr. Speaker: That supplementary should also be placed with the first one on the order paper.

HEALTH AND WELFARE

USE OF NEW DRUG CONTAINER TO PROTECT CHILDREN

On the orders of the day:

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, I have a question for the Minister of National Health and Welfare. A Windsor firm has offered to the market a virtually child-proof pill container. In view of the fact that many children have died because of the ease with which some drug containers can be opened, has the department made a study of these new containers? If such a study should prove that the containers are effective, will the minister give his assurance that their use will be made compulsory in order to remove this threat to the lives of children?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker. That recommendation came about as the result of a committee set up by our own food and drug directorate. We have referred this matter to the specifications committee which will set up a subcommittee to consider the specifications for a bottle top. When this study is completed we intend to incorporate the specifications in the regulations of the Food and Drugs Act.

Inquiries of the Ministry

DIRECTIVES RESPECTING MEDICAL TREATMENT OF INDIANS

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Minister of National Health and Welfare. It arises out of his statement on motions. Could the minister inform the house whether the revised directive of April to which he referred, which restored the traditional medical rights of our Indian citizens, has been replaced by yet another directive which reverts to the earlier restrictions, one being issued before the election and the other one following the election?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker. To the best of my personal knowledge it has not been repudiated by any further directive, and these services are now being maintained at the previous level.

Mr. Dinsdale: Is the minister not aware of the directive of July 15 from the regional office in Edmonton?

Mr. Speaker: Order, please.

[*Later:*]

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a question for the Minister of National Health and Welfare with reference to the statement by the minister regarding medical treatment for our Indian people. Will the minister advise the house whether fees for the transportation of sick, injured and indigent Indians to hospital from the Eskasoni reserve, which were cut off by his predecessor, have been reinstated? I am sure the minister will realize it is most difficult for a person with a broken leg to walk 30 miles to the hospital at Sydney.

Mr. Munro: Mr. Speaker, my information is that this service was not cut out at any time, but I will check this out and provide an answer.

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, I thank the minister for his reply, but I should like to ask him whether he would be so kind as to pay the several hundreds of dollars owing to individuals who have transported sick and indigent patients to hospitals but have been refused payment by the department.

Inquiries of the Ministry

REQUEST FOR TABLING OF REPORT ON POVERTY AREAS

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I should like to ask the Minister of Forestry and Rural Development whether he is now prepared to answer the question which he took as notice yesterday, regarding whether the two volume report prepared by ARDA on Indian poverty areas has been suppressed, and will the government make this report available if it has it?

[*Translation*]

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, no report has been suppressed. There was an internal report on departmental affairs which we now have and which we are considering. As soon as it is submitted to the government—probably to the cabinet—I will be able to inform the house of its recommendations.

[*English*]

Mr. Simpson: Was the report which was received brought to the minister's attention?

[*Translation*]

Mr. Marchand (Langelier): Yes, Mr. Speaker. There was a report. I have received it and I intend to discuss it with the cabinet. Later on we shall presumably make recommendations regarding it.

[*English*]

TRANSPORT

PROPOSED NEW CANAL BETWEEN LAKE ONTARIO AND LAKE ERIE

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, has the Minister of Transport received any proposal from the St. Lawrence Seaway Authority relating to a new ship canal between lake Ontario and lake Erie, pointing out the short time that yet remains before the present canal facilities will reach the saturation point? If so, is the government giving consideration to implementing a plan and, if not, why not?

Mr. Speaker: Order. This question should be placed on the order paper.

WATER RESOURCES

INQUIRY AS TO PRAIRIE CONSERVATION PROJECTS

On the orders of the day:

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for

[Mr. Muir (Cape Breton-The Sydneys).]

the Minister of Forestry and Rural Development in his capacity of reporting to the house on the P.F.R.A. I might say that the urgency of this question is due to the climatic factor of the approaching winter.

In view of the reorganization of the minister's department and the resulting serious slowdown in the development of water conservation projects in the three prairie provinces, will the minister say when this reorganization will be completed and these urgent and important water development projects resumed?

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, the reorganization will not be completed before the new law is accepted by the house, so I presume that in a few weeks or perhaps months everything will be reorganized.

DRUGS

INQUIRY AS TO ACTION TO CONTROL INCREASED NARCOTICS TRAFFIC

On the orders of the day:

Mr. R. L. Whiting (Halton): Mr. Speaker, I should like to ask the Minister of National Health and Welfare whether his department is waging an all-out war on the use of drugs? Young people are experimenting with drugs without realizing the serious effects.

Some hon. Members: Order.

Mr. Whiting: What is the department doing to educate young people, and is serious consideration being given to using modern communications techniques such as films, T.V. programs and—

Mr. Speaker: Order, please. The hon. member knows that questions should not be speeches, however short. I would suggest that the important question he has raised should be put on the order paper.

HOUSING

RECEPTION OF BRIEFS BY TASK FORCE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to ask the Minister of Transport to give an assurance to the house that his task force on housing, as it proceeds from one city to another, will make appropriate arrangements to receive briefs from important and major organizations. I have reference to the brief of the Toronto real estate board which apparently was not received by that group in Toronto.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I wish I could give such a general assurance. As my hon. friend will appreciate, the response to the work of the task force has been so great it is quite impossible to hear all of the representations that might be made by larger organizations. The only way this could be done would be by extending the time allocated to us for reaching some conclusions. If we did that I think my hon. friend would agree it would not be possible to prepare any possible legislation for presentation this session and before next year's building program begins.

I think we will have to do the best we can and hear as many groups that have submitted briefs as possible. We must hear from a wide cross-section of these groups in order to get a varied point of view of all the ideas that are available. These will then have to be considered along with a reading of the other briefs in an attempt to reach some conclusion before the end of the year.

Mr. Nesbitt: Mr. Speaker, will the minister give the house some idea as to what criteria are used in the selection of the briefs that are heard and considered and those that are not?

Mr. Speaker: Order, please. This is the type of information, if it is to be given, that should be given on motions.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, will the Minister of Transport give the house an assurance that the government is taking his task force as seriously as it took the task force of the Minister without Portfolio?

HARBOURS

ROBERTS BANK, B.C.—COMMENCEMENT OF RAIL LINK

On the orders of the day:

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I should like to ask the Minister of Transport whether he has been informed as to the starting date of the proposed rail link between Roberts Bank and our national railway system and, if so, what is it?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I have not been informed as to the starting date. As my hon. friend is no doubt aware, there have been a number of representations made in respect of the route of this railway. To the best of my knowledge no firm date for its commencement has been announced.

Inquiries of the Ministry

AGRICULTURE

CORN—PROPOSED EMBARGO ON IMPORTS FROM U.S.

On the orders of the day:

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to ask the Minister of Agriculture whether he has met with his cabinet colleagues and discussed the possibility of placing an embargo on the importation of corn into this country, particularly in view of the position the producers find themselves in at this time?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have had meetings with many people including members of the cabinet in relation to this problem.

Mr. Horner: Mr. Speaker, has the minister dealt with the specific subject of placing an embargo on the importation of corn with his cabinet colleagues?

Mr. Olson: Mr. Speaker, the hon. member knows very well that I cannot answer that kind of a question because the discussions, the agenda and everything else that takes place in cabinet are confidential.

Mr. Baldwin: Confidential and inadequate.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a question supplementary to that asked by the hon. member for Crowfoot. I quite appreciate the point taken by the Minister of Agriculture that he cannot disclose anything that takes place in cabinet. But can the Acting Prime Minister assure us that none of his colleagues who took part in that decision had a conflict of interest in reference to the importation of corn?

CHEESE—DUMPING OF EUROPEAN PRODUCT

On the orders of the day:

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, while I am on my feet perhaps I might answer the questions that were asked on September 24 and September 30. I have been in touch with Mr. LeClerc, president of the national dairy council, concerning cheese dumping or the allegation of cheese dumping in Canada. Mr. LeClerc advises that he was misquoted in the press release and he said that in his view there is no cheese dumping now. What he actually said was, "If there was cheese dumping as there has been in other areas of the dairy industry we would have to look into it further". Mr. LeClerc therefore has no specific evidence of cheese dumping in Canada.

Inquiries of the Ministry

BIOLOGICAL EFFECTS ON CHICKENS OF MICROWAVE TOWER RADIATION

On the orders of the day:

Mr. Ed Schreyer (Selkirk): Mr. Speaker, my question is directed to the Minister of Agriculture or to the Minister without Portfolio from Winnipeg, since I understand he is something of a farmer as well. I would like to ask the minister whether he has received a complaint signed by several hundred residents of central Manitoba alleging that—

Mr. Speaker: Order, please. The hon. member should ask the question directly.

Mr. Schreyer: I put the question to the Minister of Agriculture. Can the minister say whether his department will establish or initiate research into the biological effects on chickens of microwave tower radiation?

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. This question should be placed on the order paper.

Mr. Schreyer: On a question of privilege, Mr. Speaker, the laughter of hon. members might leave the impression that the matter is a bantering one, but it is quite serious and I hope Your Honour will take it that way.

Mr. Speaker: Order, please. This is why the Chair suggested that this very important and serious matter be placed on the order paper.

[*Translation*]

HEALTH AND WELFARE

INQUIRY AS TO INCREASE IN WELFARE PAYMENTS

On the orders of the day:

Mr. Roch La Salle (Joliette): Mr. Speaker, in view of the just society the hon. Mr. Trudeau has promised us, would the Minister of National Health and Welfare tell me whether the handicapped and the blind will see their pensions increased this year at the same rate as the old age pensions.

Mr. Speaker: The question of the hon. member is much too general and I would remind him and the other members on both sides of the house that it is preferable to refer to a minister in making use of his title rather than of his name.

[Mr. Olson.]

[*English*]

TRADE

WHEAT—DELAY IN ANNOUNCEMENT OF SALES CONTRACTS

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Last year we were told that the low sales of wheat were as a result of the fact that we did not have low quality grain. This year we apparently have it. Why is there a delay in announcing any specific contract for the sale of wheat?

Mr. Baldwin: A low quality government.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, would the hon. member mind repeating the last part of his question?

Mr. Korchinski: Last year we were told we could not sell wheat because we did not have sufficient quantities of low quality grain. I am now asking—

Mr. Speaker: Order, please. The hon. member's question as asked is clearly argumentative.

Mr. Korchinski: Mr. Speaker, when will an announcement be made that a contract has been signed for the sale of low quality wheat?

Mr. Pepin: Mr. Speaker, another hon. member just referred to the fact that the wheat board was taking measures to bring these low grades of wheat to export points. Obviously this is a policy that the wheat board intends to follow. Obviously, also, the wheat board has no intention of announcing, before the wheat sales take place, where they are going to take place. So the hon. member will know—

Mr. Speaker: Order, please. The hon. member for High Park.

AIR TRANSPORT

EDUCATIONAL REQUIREMENTS FOR TRAFFIC CONTROL INSTRUCTORS

On the orders of the day:

Mr. Walter Deakon (High Park): Mr. Speaker, this question I wish to direct to the Minister of Transport. It has been brought to my attention that the status of the Department of Transport air traffic control instructors—

Mr. Speaker: Order, please. The hon. member should ask the question directly.

Mr. Deakon: Mr. Speaker, I have to tell you what it is about before I ask the question.

Some hon. Members: Oh, oh.

Mr. Deakon: I have been advised that the Department of Transport air traffic control instructors for civil aviation have been dropped from grade 6 to grade 5 level. This lower grade appears to be a level held by some of the people receiving this instruction. In other words, the instructors and some of the people they are teaching are at the same level. Has the minister considered this problem and, if so, what solution has been arrived at?

Mr. Speaker: Order, please. This question should be placed on the order paper.

CANADIAN CITIZENSHIP

INQUIRY AS TO TRAINING OF IMMIGRANTS

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Secretary of State. In view of the increasing number of new immigrants, particularly from Czechoslovakia, and in view of the fact that the Minister of Manpower and Immigration has stated that it is not the responsibility of his department to provide language training for these people, could the minister tell us whether his department is undertaking to supply training in citizenship for new immigrants, including language training?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Yes, Mr. Speaker, not only have we considered the question but we have set up a detailed project in this respect; as soon as the government will have adopted a policy thereon, the house will be informed.

[*English*]

FARM MACHINERY SYNDICATES CREDIT ACT

AMENDMENTS TO BROADEN PURPOSES OF LOANS, ENABLE CO-OPERATIVE ASSOCIATIONS TO OBTAIN LOANS, ETC.

The house resumed, from Tuesday, October 1, consideration in committee of the following resolution—Mr. Olson—Mr. Béchard in the chair:

That it is expedient to introduce a measure amending the Farm ...dicates Credit Act to broaden the purposes for which loans may be made under that act; to enable co-operative farm associations and certain farming corporations and other associations to obtain loans under that act without the members or shareholders thereof being required to enter into any other formal agreement; and to provide for other consequential and related subjects.

The Deputy Chairman: Order. House in committee of the whole on a certain proposed resolution to amend the Farm Machinery Syndicates Credit Act. Shall the resolution carry?

Mr. McQuaid: Mr. Chairman, I would like to make it abundantly clear at the beginning that I am completely in favour of the broad, general principles outlined in the resolution now before the committee. I do not think there is anybody in this house, in fact I do not think there is anybody in Canada, who will deny the necessity of supplying credit to those who are today engaged in our farming industry. It is generally recognized that there is an increasing demand for farm credit and that this demand arises from the capital requirements of farm business.

It is very evident that farming today is big business and requires a tremendous amount of capital. As an example we have the figures issued recently by the Dominion Bureau of Statistics which tell us that the capital value of farms in Canada in 1966 was $19 billion. That is a lot of money in any man's language. Of this amount, $13 billion was in respect of land and buildings, $3.5 billion for capital and equipment and $2 billion for livestock. In other words, our farmers have a large capital investment in their businesses.

Even in the maritime provinces, which are a comparatively small portion of Canada in so far as area is concerned, farm capital amounts to $443 million. In the province of Prince Edward Island the amount for land and buildings is $72 million, for capital and equipment $35 million, and for livestock $20 million. This means that $128 million has been invested by the farmers of Prince Edward Island in their operation. Therefore I suggest there is absolutely no question that farming today is big business and requires a tremendous amount of capital.

In order that capital may be available to farmers, credit facilities must be extended to them. This is the reason I say that we on this side of the house are in no way opposed to any measures which will make capital more readily available to our farmers.

Farm Machinery Syndicates Credit Act

• (4:00 p.m.)

There is the further fact that it is costing more than ever before to farm in Canada today. For example, in 1966 the farmers of Canada spent $479 million on farm machinery in just one year. It would be interesting to know where this $479 million went. The fact is that $149 million was spent on farm tractors, $20 million was spent on planting and fertilizing machinery and $10 million was spent on barn equipment. Our farmers are naturally trying to make their labour as light as possible and are buying modern equipment in order to lighten their burden, and also because of the fact that farm labour is getting increasingly more scarce. To continue, $3 million was spent on spraying and dusting equipment, and $73 million was spent on combines. This is the amount of money which was spent on farm equipment in one year. It represents an increase of 12.2 per cent over what was spent six years ago in 1960. So it must be obvious to anyone who gives the matter any thought that credit must be expanded and more money must be made available to the farmers in order to enable them to buy equipment which is urgently needed by them.

In 1966 $13 million was spent on farm implements in the Atlantic provinces. In the province of Quebec $46 million was spent, 21.4 per cent more than was spent six years ago. In Ontario $102 million was spent on farm machinery. In Manitoba $62 million was spent. In Saskatchewan, where the most money was spent, $141 million was spent on farm machinery. In Alberta $102 million was spent, and in British Columbia, $10 million. I think that these figures must be convincing and must satisfy everyone on both sides of the house that additional credit must be made available to our farmers.

My chief complaint against the Farm Credit Act now in force is that apparently it only helps the big operators. The small farmers are not receiving the help from the Farm Credit Corporation which they should get. I remind the house that there is still a place in Canada for the small farmer. The annual report of the Farm Credit Corporation, while it does not say so in so many words, very definitely implies that there is no place in their program for the small family farm. This is not as it should be.

Let us look at the figures. In last year's report it is stated that the Farm Credit Corporation made 11,559 loans for a total of $251 million. If we divide the number of loans into the amount of money lent we will find that the average loan by the Farm Credit Corporation last year was $21,734. Apparently the corporation does not want to have anything to do with the small operator. How is the small operator going to survive if the policy of this government agency is continued in this way? As I said, there is a very important place for the small farmer, and I think that the necessary arrangements should be made with the Farm Credit Corporation so that the money required by the small farmer is made available to him.

The policy pursued at present by the Farm Credit Corporation is not the policy that was followed by the body which it replaced. When the old Canadian farm loan board was in existence it helped the small farmer. If we look at the average amount of the loans granted by the Canadian farm loan board we will find that it was around $3,000 to $5,000. That money was of some help to the small operator. Today, however, the small operator may just as well stay away from the Farm Credit Corporation because he receives no help and no encouragement from them.

As I said, there is still a place for the small farmer. To prove that there is a place for the small farmer and that he still plays an important part in our agricultural industry today, let me point out that in 1966 there were 430,000 census numbered farms in Canada, 104,000 of which, or 24 per cent, were in the 100 to 200-acre class. I suggest that this is a small farm. The small farmer might just as well stay home as go to the Farm Credit Corporation looking for help because they are just not interested in him unless he wants a loan of $10,000, $15,000 or $20,000. Where is the small farmer to get the money?

The minister said in his statement on Monday night that the resolution dealing with the Farm Credit Corporation was designed to help the young man engaged in farming. In many cases the young farmer who is trying to establish himself does not need or want a $25,000 or $30,000 loan. There are many young men who can get along on less and who could probably set up a decent farming establishment if they could obtain credit for $5,000, $6,000 or $8,000. These men can get no help at all from the Farm Credit Corporation, and this is one of the weaknesses of the corporation as it is now constituted.

Only one province in Canada, Alberta, has farms in excess of 100 to 200 acres. In that province the average farm is larger than that. However, in Canada today 24 per cent of our

farms are in the 100 to 200 acre class, and I suggest that help must be made available to these farmers.

I wish to say a few words about the interest on these loans. Personally I cannot go along with the suggestion of the minister or of the government that the interest rate on Farm Credit Corporation loans must be increased. If we look at the last financial statement issued by the Farm Credit Corporation we will find the following statement in its 1967-68 annual report:

> Approximately 80 per cent of the funds lent by the corporation bear the statutory interest rate of 5 per cent. The corporation borrows funds from the Minister of Finance at current interest rates which are much higher than the average rate the corporation may charge, thus creating an interest deficit which lasts for the duration of the loan.

Then the report goes on to say:

> To finance its lending program during 1967-68, the corporation borrowed $194.5 million from the Minister of Finance at an average interest rate of 6.16 per cent ... The average interest rate on the corporation's borrowings is 5.294 per cent.

If we subtract 6.16 per cent, which is the cost of the money to the corporation, from the 5.29 per cent the farmers were paying, we get a difference of only .87 per cent. Surely in this just society in which we are supposed to be living the government can absorb that .87 per cent. The financial statement of the corporation shows that this difference in interest cost the corporation $3,809,000. When we consider that there are 1,960,000 people living on farms in Canada today, it means that the government is subsidizing them to the extent of only $2 per person. Surely this government, which thinks in terms of nothing less than billions and spends money like drunken sailors, can afford to absorb this $2 per person. This amount could be saved if some efforts were made to cut down the waste and extravagance in the various departments of government. We have heard rumblings and murmurs about green telephones, waste paper baskets costing $75 and electric pencil sharpeners. Some of these expenditures could be eliminated and money saved. In this way, enough money would be found to make up the very small difference of point .87 per cent or $2 for every man, woman and child who resides on a farm in Canada today.

• (4:10 p.m.)

Mr. Horner: British Columbia is subsidized a lot.

Mr. McQuaid: There are many things that are subsidized, though I am not complaining about that. When the coal industry in Nova Scotia got into trouble a year or so ago, the government did not hesitate to advance money to help that industry. There are 1,069,000 people living on farms in Canada today. Farming in Canada is big business, as I mentioned a moment ago, if one considers the capital investment in the industry. Surely the government could find enough money to absorb this small difference.

In his statement on Monday, as recorded on page 600 of *Hansard*, the minister is reported to have said:

> —unrealistic interest rates—

A difference of .87 per cent is not an unrealistic interest rate.

> —tend to cause misallocation of resources, and in particular terms any savings as a result of a subsidized interest rate on capital borrowed for the purchase of land could make the cost of land excessively inflationary.

Surely, Mr. Chairman, the giving of $2 for every person residing on a farm today in order to help the farmers is not going to make the price of land excessively inflationary. It is not going to mitigate the purposes for which the Farm Credit Corporation was established. Everyone will not be able to go to the Farm Credit Corporation to borrow money simply because the interest rate is low. The act stipulates that the farmer must have an established operation before a loan can be made, so it is only such farmers who will be going to the corporation. Surely the government can extend this privilege to that large segment of our population.

As I say, if the waste and extravagance in other government departments were eliminated the money would be found. We must remember that if a farmer has to pay more interest on the money he borrows he is adding to his operating costs. If his operating costs increase he will have to get more for his products if he is going to stay in business. If he has to get more for his products the consumer has to pay the added amount. All we are doing by raising interest rates, in the final analysis, is raising the cost of the product to the consumer. The results will flow back to the consumer. If the amount involved were a billion dollars, there might be some justification for the government's position. However, as I say, last year the amount involved was only $3,800,000 or $2 for every man, woman and child residing on a farm in Canada. I suggest very seriously to the government that

it could very well afford, in the interests of the agricultural industry, to absorb that difference or it could be absorbed by eliminating waste and extravagance.

There is another aspect of which I do not think the government should lose sight. I refer to the fact that much of the money now coming back to the Farm Credit Corporation is the result of the repayment of loans made several years ago, perhaps 10 or 20 years ago. At that time this money was borrowed at a reasonably low rate of interest. I suggest that the government give consideration to establishing some sort of revolving fund so that the money which is coming back to the Farm Credit Corporation would not go into the treasury but would rather remain as a credit to the corporation. This money would be earning interest until such time as it was needed. If the government felt it was unable to absorb the whole of the $3,800,000, the money now being returned could be used to help relieve the situation a bit. In any case, Mr. Chairman, I am definitely opposed to any policy which will tend to increase the costs of those farmers who are borrowing money from the Farm Credit Corporation.

So far as the Farm Improvement Loans Act is concerned, those loans are government guaranteed bank loans. I do not believe the interest rates on those loans should be fixed by the governor in council.

I am sure the farmers of Canada have serious doubts about whether this is the proper thing to do. Surely some formula could be worked out whereby a percentage just a little above the cost of money to the government could be established. Some formula could be worked out to establish a more or less fixed rate of interest so the farmer will know what he is going to have to pay. Leaving the matter up to the governor in council is definitely not satisfactory. I think the minister and his department will find that the banks will go along with this idea. These are government guaranteed loans. If the government guarantee is worth anything at all, a bank should be glad to advance these loans. The percentage of loss will be small. The experience of the Farm Credit Corporation indicates this fact. If you look at their report you will find it shows a very small percentage of loss. This same small percentage of loss would obtain under the Farm Improvement Loans Act. The farmers of this country are honest. They do their best to pay their bills, and they will do so if they are given a decent break. If the government guarantee is worth anything, surely the banks will definitely go along with the setting of an interest rate a percentage point above the cost of money to the government.

I have little more to say, Mr. Chairman, except that when the Farm Credit Corporation bill comes before the house I will oppose it if it tends to increase the cost of money to our farmers. Again, I would recommend to the government that they give serious consideration to an attempt to broaden the scope of the Farm Credit Corporation so that it will be of some benefit to the small, family farmer who is still very important to this country.

Mr. Benjamin: Mr. Chairman, before discussing some of the points I should like to raise in connection with the resolution before us concerning farm credit I should like to extend congratulations to the Minister of Agriculture on his appointment. He represents a constituency in which I used to reside, and I am happy to see that we have a Minister of Agriculture who comes from a rural part of Canada similar to the rural area I am fortunate enough to represent. He used to farm in the area where I relieved as a station agent, so I heard a great deal about him, most of it favourable. I must confess that what I have heard about him in recent months has not been nearly as favourable, although I might have been talking to the wrong people in that area.

The resolution before us and the subsequent bill propose a number of changes in farm credit legislation, two or three of which I think are anything but desirable. The main intent of these changes is to increase the rates of interest charged under the Farm Improvement Loans Act and the Farm Credit Act. In my opinion, this is another instance of the old line parties providing more socialism for the rich. This has too long been a practice and habit of the present and previous governments. The main beneficiaries of these changes will be the money lenders. A couple of thousand years ago the money lenders were driven out of the temple, but it seems they have sneaked in the back door with the aid of governments in this country.

• (4:20 p.m.)

No one in this house, Mr. Chairman, will oppose measures that increase the availability of capital for agriculture. But surely such measures should not contribute to the increased cost of farm production. Farmers are about the only large economic group left in this country who have no say in how much they receive for their products. Therefore

they have continually been faced with static or falling farm prices. At times they have received small increases but those have been accompanied each year with larger and larger increases in the cost of farm production. This is the old cost-price squeeze that every member of this house has been hearing about since the early fifties, and about which the minister spoke many times at great length when he was sitting in another part of this chamber and representing another interest.

It seems to me, that bringing about changes in the act to allow the governor in council to peg interest rates in accordance with the prevailing rate at any given period of time adds an additional cost to farm production for which the farmers are not prepared to stand. I must say that one of the reasons I am in this house is that many farmers have told me they are not prepared to stand for this sort of thing, and that they had lost faith in their previous governments who did stand for it.

With the prospect in the current year of lower farm incomes the government's plans for higher interest rates under these measures come at the worst possible time. All indications are that the grain harvest on the prairies this fall will produce substantially less high grade wheat and record quantities of low grade. Instead of good No. 2 or 3 northern wheat to sell we may have a lot of No. 4, 5 or 6. The prospect is for a lot of tough and damp grain being harvested as well, which, of course, can mean heated and out of condition grain in the farmers' grain bins later this fall.

Let me illustrate the situation by giving the price today, basis Regina, for No. 2 northern wheat. It is $1.48½. I was in my constituency last Saturday and Sunday and had a conversation with one farmer who had made two rounds in a field of wheat early in September before the rains came and threshed a few hundred bushels of wheat. The crop was running between 25 and 30 bushels to the acre. He took samples to his elevator and they were graded No. 2 northern. Then the rains came. Periodically since then he was able to get in half a day or a few hours of combining, and the samples that he next took to the elevator were graded No. 5 wheat. So instead of getting $1.48½, basis Regina, he will get $1.23½, a drop of 25 cents per bushel. In addition, he has combined some of that wheat tough out of sheer desperation to get as much threshed as he could. Tough wheat, Mr. Chairman, means another four cents less per bushel.

The bins of this farmer are full of fairly high grade wheat from last year. The fact that he will have lots of low grade wheat may make the Minister of Trade and Commerce and also the hon. member for Winnipeg South happy because it will undoubtedly make it easier to sell larger quantities of grain on the export market. However, it will not make the farmers any happier, because large quantities of low grades of grain sold at a lower price mean a lower income to the farmers. Surely these difficulties are bad enough without the farmer applying for a farm improvement loan for the purpose, say, of building additional grain storage, either a lumber or a steel bin, which by the way are very difficult to get, being faced with a higher rates of interest, particularly when the building is for storing low grade wheat which will return to the farmer less money. The chances are that unless the farmer can get his grain out of the bins and into the elevators a great amount of it will be lost through spoilage. With the kind of harvesting conditions prevailing during the last few weeks in western Canada, surely this is the worst possible time for any government that has a social conscience even to contemplate higher interest rates for farm improvement loans and Farm Credit Corporation loans.

The standard excuse for increased interest rates, of course, since their rapid rise last winter and spring has been that the banks will not lend money under the Farm Improvement Loans Act at the present fixed rate of 5 per cent because they can get much better rates elsewhere. Personally, I feel that that is too darned bad for the banks. I submit that now is the time for the minister and the government really to do something about beginning the new politics. After all, production of food is of national importance. Surely now is the time for the Minister of Agriculture and the government to declare as a national policy that this most basic of all industries is no longer to be the victim of the cost-price squeeze, that this government will no longer burden farmers with increased cost of production as a result of its own legislation.

Canada, has one of the largest areas of good agricultural land of any country in the world. It is filled with the most competent and efficient farmers of any country in the world. Only the organizational genius of the present government and previous old line party governments could see to it that we now have 20,000 fewer farms than there were in 1961.

I submit, that the legislation the minister now has before this committee should continue the practice of incorporating a fixed interest rate and that this interest rate should remain at the present 5 per cent. That means, of course, subsidized interest rates for all of the farming industry. I might add that I feel that this should also pertain to the farmers of the sea as well as the farmers of land. This legislation, should require the lending institutions to make such approved loans at that fixed rate. If this government and the Minister of Agriculture wish to implement some of the new politics about which we hear, they will also direct some of the capital that is available for all kinds of investment to investment in farm loans. Surely the capital needed for farm improvement loans and for Farm Credit Corporation loans is far more urgent and carries greater priority than capital for fancy shopping centres and fancy hotels. That is why direct government intervention—call it compulsion or whatever you will—is required. The money market should be told what amount of the available capital will go into the field of farm credit and farm improvement loans.

• (4:30 p.m.)

The minister mentions that there is great urgency to pass these measures, no doubt because the capitalization of the Farm Credit Corporation is almost exhausted. The corporation is nearly out of money. The other day the minister said that the bill to amend the Farm Improvement Loans Act must be passed at once since the previous act expired last June 30. However, about one and a half pages earlier in *Hansard*, he reported that the Minister of Finance had publicly assured the lenders that the new legislation when passed would cover guarantees retroactive to June 30.

Surely the minister and the government can make certain that, no matter how long it takes to pass legislation, loan applications may continue to be received, processed and approved. In the case of farm improvement loans the banks know that whenever the legislation comes into force, their loans will be covered by the guarantees retroactively.

In the case of the farm Credit Corporation it takes six to eight months on the average for loans to be approved. Sometimes it takes a year. The approving of loans has some time taken so long that land farmers wanted to buy was sold to others. Here, too, the government ought to arrange for the receiving, processing and approving of loan applications to continue before the amended legislation comes into force. Lending institutions are protected by the knowledge that the legislation is about to come into force. In an emergency, should it happen that the funds of the Farm Credit Corporation became exhausted, farmers could walk into banks, credit unions or other financial institutions and borrow money at prevailing rates on the strength of the approved loan application. In any event, farmers could be accommodated over a short period until such time as there is more capitalization for the Farm Credit Corporation.

It is unlikely that the great majority of loan applications through the Farm Credit Corporation will be approved, let alone processed, in the immediate future. That being so I fail to see why the minister is raising all this fuss and furore in trying to push this legislation through the house as quickly as possible. His haste, it seems to me, shows nothing less than a desire to bring about an increase in interest rates as fast as he can. I shall be interested to hear the comments of the hon. members for Assiniboia and Saskatoon-Humboldt to their constituents on the subject of increased interest rates applicable to loans made under this legislation. I shall be interested to hear what explanations they make. I assure them that they have not heard the last of this matter for a long time to come.

I plead with the government, as others before me have pleaded, to fix the interest rate applicable under the legislation at the present level of 5 per cent. I submit that the most basic of our industries, agriculture, is entitled to this priority. If the cost of money is more than 5 per cent for farm credit the government ought to pay the difference out of the national treasury.

[*Translation*]

Mr. Caouette: Mr. Chairman, I only want to say a few words about the bill now before the house.

This bill deals with agriculture and I am very happy to notice that the Minister of Agriculture (Mr. Olson) is now occupying his seat. He is a capable minister in this field as he was himself a farmer. As a matter of fact, he is still a western farmer.

There is no doubt that the minister knows and understands the agricultural problems. When the present Minister of Agriculture was sitting on this side of the house as a Social Crediter he used to chide the government about the interest rates being too high and about the loan increases that did not solve the farmers' problems.

He is now the Minister of Agriculture. He is introducing legislation that is identical to the one he was fighting against when he was a member of Social Credit in this house.

For instance let us examine resolution No. 5 which reads in part as follows:

—a measure to amend the Farm Improvement Loans Act in order to provide for a further three-year loan period—to substitute for the 5% rate of interest on guaranteed farm improvement loans made under the Act such rate or rates of interest as may be prescribed by the Governor in Council—

This implies that, from now on, those farmers unable to obtain credit or loans at 5% interest will perhaps be forced to pay 8, 9, 10 or 12%. The government will not then pledge itself to reimburse the difference in interest rates. That is not an improvement for the farmer, and the Minister of Agriculture, the member for Medicine Hat, would have a hard time explaining that to the farmers of his own riding, for that is not what he told them during the 20 or 25 years of his political life.

• (4:40 p.m.)

Today, he comes to us with legislation in every way identical to the previous one, but which allows the farmer to get deeper into debt, to incur debts today that he will not be able to repay in 10 or 20 years from now; and so agriculture will still be in the same state of stagnation in 10, 15 or 20 years from now, and the minister is well aware of it.

From here on in, farmers will be allowed to borrow $25,000 instead of $15,000 for—

—the purchase of land as an addition to an existing farm enterprise—

They cannot manage to earn a livelihood with the farms they already have; how can we imagine that agriculture will be saved by bigger farms.

My honourable friend the minister owns thousands of acres of land out west. Some of my relatives in southern Saskatchewan have whole sections of land—"You are looking for land? Here you are—". The problem is not limited to the size of farms. The problem is to have a farm policy which will enable the farmers to live on the land they are farming. That is what is lacking, and the minister is not proposing anything to that effect.

Taking for granted, Mr. Chairman, that agriculture is the basis—and I do say the basis— of the whole economic structure of Canada, we must work to improve the living conditions of the farmers, and not crush them with such legislation authorizing the loan companies and the trust companies to take control of the farms through long term or short term loans. Everyone knows that, and the minister knows it too. As I said, agriculture is the basis of the whole economic structure. Hon. Members' coat tails and top hats would just hang in the parliamentary restaurant on the sixth floor if there were no farmers in Canada to provide the food everyone needs.

And what are we doing to help the farmer? Three measures are introduced in succession to burden him even more, and the minister will say to Canadian farmers: See how liberal we are—not Creditistes, no sir—Liberals. Had he been a Creditiste, he would never have introduced such a measure. At any rate, we will recall what he said when he was sitting with us on this side when the government was putting forward such measures. As Social Credit spokesman on agriculture, he was driving the government into a corner in an attempt to indicate the course it should follow.

Today, on the government front benches, the minister takes over where the previous government had left off.

An hon. Member: With a smile.

Mr. Caouette: With a smile, true enough, but the farmers will not feel like smiling.

Mr. Chairman, we should not let finance companies look after that. It is a fact, this is again a financial problem.

At noon, I received a delegation of Ontario corn producers who, at the present time, have to sell their goods at a loss. The hon. minister met them a fortnight ago. No solution has been found to their problem. The Americans are dumping corn in Canada, when our production cannot meet the needs of the Canadian consumers. We have to import corn and we allow American dumping in Canada. Then, corn producers in southern Ontario have to suffer tremendous losses and the hon. minister is quite aware of that.

There is some uneasiness in the field of maple syrup production in the province of Quebec. The hon. minister knows that we produce a first grade maple syrup. At the present time, the Beauce producers have a million gallons of maple syrup in stock but no attempt has been made to help them dispose of their goods from last spring. However, it would be possible to dispose of them. I noticed last week that there was no maple syrup in France. We could perhaps sell them some and have agricultural instead of cultural exchanges.

Mr. Chairman, in the dairy industry, for instance, the farmers of Ontario and eastern

Canada are bringing pressure to bear on the government and the Minister of Agriculture with a view to having a set price of $5 or $5.25 per hundredweight for manufacturing milk. The government has not changed its policy since the last elections. It is exactly the same. We adopt measures to enable people, who even now cannot make a decent profit on the sale of their produce, to get into debt even deeper, and to have the privilege of paying higher rates of interest. What a policy of grandeur this government of ours has. What a responsible policy. Mr. Chairman, under this resolution which reads in part as follows:

—to authorize the Minister of Finance to designate certain trust and loan companies and insurance companies and certain credit unions, caisse populaire and other co-operative credit societies as authorized lenders under the Act: to establish a limit of $1,200,000,000 as the aggregate principal amount of guaranteed loans that may be made by all authorized lenders in that period and a limit of $300,000,000 as the aggregate amount of guaranteed loans that may be made by authorized lenders other than banks during that period—

To help the small lenders... The government is willing to take pity on the fate of the small lending concerns but he forgets to take pity on the farmers' lot. Lenders, okay; farmers, not okay.

Here is another point, in resolution No. 7, as given on the order paper. I quote:

That it is expedient to introduce a measure amending the Farm Machinery Syndicates Credit Act—

With regard to farm machinery, I still remember the days when the present minister was the Social Credit member for Medicine Hat—he was the spokesman for his party in matters of agriculture—and, at that time, he denounced with virulence the shameful exploitation of finance companies which strangled the farmers when they bought farm equipment.

Everyone knows, for instance, that a small Ferguson tractor—I have sold them—which used to sell for $1875, now sells for $4300. The farmer borrows and will be able to borrow again at higher interest rates so that his small tractor will cost him $6,000, but his production does not increase. He does not get higher profits for his produce. What will his situation be in five or ten years from now with such laws?

It is all very well to tell the farmer: You can now borrow $25,000. When he gets his loan, the farmer is happy because it allows him to spend $25,000 instead of $15,000. However, when the time comes to pay back the capital plus the interest, and the farmer has not made a profit on the sale of his products, how can he possibly pay back the capital plus the interest when he cannot even pay back the capital? That is what the government does not understand. However, I am certain that the Minister of Agriculture understands it, for he said it often and loudly enough in this house when he was with us.

Some hon. Members: Hear, hear.

Mr. Caouette: Mr. Chairman, we do not ask for miracles, but if the government could introduce a bill intended to help the farmer by fixing the interest rate on loans at a ceiling of 2 or 3 per cent, for example, the minister would then really be helping the farmer by guaranteeing not only the loan the farmer gets, but a market for his products.

As I have said, if one million bushels of wheat were grown instead of one thousand, the loss would be greater. No need to be a genius to understand it and the minister understands it. The problem is not to know whether or not we can get the farmer more deeply in debt. Everybody knows that the farmer can, owing to the government guarantee, run up more bills. The farmer wants to know whether he will have the opportunity to sell his products at prices which will allow him to make a profit. That is precisely what the government does not take into account. The minister does not talk about that. Marketing is left to organizations such as the U.C.F., to farm associations such as the wheat pool in the West. It is left to agencies which absorb part of the production or the profits along the way, so that the farmer is always in the same situation.

As I said, Mr. Chairman, agriculture is the basis of society. The farmer cannot afford to strike. If he is a milk producer, everyone knows, for instance, that cows are not on holidays on Sunday and that he has to do the milking on Sunday as on any other day of the week. That means seven days a week, 365 days a year. The farmer's day starts at 4 or 5 o'clock in the morning and ends at 8, 9 or 10 o'clock at night. But there are some people who get up at 10 o'clock in the morning to milk the farmers dry. That is happening in our own country, in Canada.

Mr. Chairman, all members should realize the importance of agriculture, when all classes in society have the right to strike for better conditions of living, and obtain them. There have been strikes throughout Canada, in every field. There was even one in my own

place which ended Monday. For what? Salary increases. But the farmers cannot afford that. The only recourse he has is to ask his member of parliament to pass legislation to help them, to guarantee the sale of their products. But the government procrastinates and finally presents legislation, saying to them: We help you, we enable you to go in deeper, to be worse off, to give you the assurance that you may not sell your products, but you will be able to get further into debt. They are thus given the assurance of more insecurity instead of security.

Therefore, Mr. Chairman, I believe that a solution is urgent and I bring up the matter again. The Minister of Agriculture who is acquainted with the problem of Canadian agriculture could find a solution, since he is so competent.

I travelled with the Minister of Agriculture to Russia and Czechoslovakia. The first thing which interested him in those countries was to see what was going on in farming and the minister knows what the trouble is. But he is caught in a government strait-jacket which compels him to bring down some bills which he inwardly disapproves, I am sure. He cannot admit it.

Some hon. Members: Hear, hear.

Mr. Caouette: This is why he said in this house, as I did myself, that we are caught in a terrible financial system which is crushing us and nothing is done to free us.

• (4:50 p.m.)

It seems to me that if the hon. Minister of Agriculture (Mr. Olson) would get up one morning and say: "I am the Minister of Agriculture of Canada, the first man responsible for agriculture in this country. Due to my knowledge of economics, to my knowledge of the créditistes tenets—here, he might stretch a little, expand his chest a bit, spread out his arms and loosen the purse string—I am going to do such and such a thing". Mr. Chairman, this would be a good thing and the hon. minister would help all the farmers in Canada. But he is afraid.

However, we are going to help him, we are going to support him, provided he makes up his mind and introduce other types of bills, bills which will not crush the farmer even more. In my views, these bills aim to strangle the farmer, to give another turn of the screw.

It does not mean, Mr. Chairman, that as a matter of principle, we are dead set against loans to farmers. They are useful for the farmer who is assured to make a profit and who needs to borrow money in order to expand. However, we know beforehand that the farmer who is borrowing $25,000. instead of $15,000. has no guarantee of a better price for his products and that he is already operating with a deficit. What we need, is legislation designed to help marketing and to enable the farmer to sell at a profit. It would be easy then for the farmer to find lenders; actually, the government would not even need to underwrite the loans, or to tell the farmer where to go or not to go. Let the government do its job. Let the Minister of Agriculture give to the farmers in my consttiuency, in the provinces of Quebec, Ontario and in the whole of Canada, the undertaking that there will be a market for their products. In two years, Canadian production will increase threefold or even fivefold and we will then be in a position to meet the needs of our population; indeed, we are able to do it now. We will then be in a better position, all over the world to help the poor, as well as the underdeveloped countries where people die of hunger. It is said that two-thirds of the world population are hungry—

[*English*]

The Chairman: Order, please. I regret to inform the hon. member that his time has expired.

Some hon. Members: Continue.

The Chairman: Is there unanimous consent that the hon. member continue?

Some hon. Members: Agreed.

[*Translation*]

Mr. Caouette: Mr. Chairman, I thank my colleagues for allowing me to carry on. I think there are only two minutes left before you call it five o'clock so that the house may proceed to the consideration of private members' business.

I see that one of my good friends wanted to rise but, I think as there are only two minutes, he might easily wait until tomorrow.

Mr. Chairman, as I am in fine fettle, I shall proceed.

Some hon. Members: Hear, hear.

Mr. Caouette: I think that the Minister of Agriculture takes the biscuit. I am amazed. Since I have known him—and he is one of my good friends—he has been most eloquent in the house on the matter in hand. But

today, he introduces these bills. I am astounded, and my colleagues who have known him well are astounded too. In fact, this is the man who if I am not mistaken, was to become eventually the leader of the Creditiste movement in Western Canada and, perhaps, the successor to the present Premier of Alberta. I cannot understand how he can attempt to introduce such bills today.

At any rate, Mr. Chairman, I wish that all the honourable members, and first the hon. minister, would understand the importance of our agriculture but in its true sense. We must not help our agriculture to deteriorate further, to get bogged down deeper, but we must recognize that agriculture is the basis of our economy and that when we help our farmers, we help ourselves, we help the other classes of society, we help the country, because in a country where agriculture is prosperous, the other classes are also prosperous. In fact, a country where agriculture is dying out, where it tends to die out or to decline, is doomed. We have had examples of that in Czechoslovakia and in Russia. I have seen examples of it in France last week where the farmers are faced with a lot of hardship, from which social troubles are likely to stem.

Mr. Chairman, in closing I wish that the hon. Minister of Agriculture would finally introduce bills really intended to assist the farmer and not to get him deeper in debt and get him fast out of the picture.

[*English*]

The Chairman: Order, please. It being five o'clock, in order for the house to proceed to the consideration of private members' business it is my duty to rise, report progress and request leave to sit at the next sitting of the house.

Progress reported.

Mr. Deputy Speaker: It being five o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills.

THE CANADIAN ECONOMY

SUGGESTED GUARANTEED MINIMUM INCOME

Mr. Roland Godin (Portneuf) moved:

That, in the opinion of this house, the government should consider the possibility of passing a law under which every Canadian citizen, who is without work or other source of income, would receive a guaranteed minimum income as a way of recognizing, in a practical fashion, the dignity, the value and the economic rights of the human being, in the context of the economic life of the nation; that the amount required for the payment of the guaranteed minimum income be derived from the national product so as to increase neither the taxes on individuals and companies, nor the cost of living, nor the price of any product or service; that this measure could, with advantage, replace the contributions and payments of all the systems of unemployment insurance, social welfare, family and personal allowances, Canada pensions and Quebec pensions, that the economic recognition of the guaranteed minimum income would be to the greatest advantage of all the citizens of Canada, and, at the same time, would be of great benefit to all the principal sectors of the national economy.

[Mr. Caouette.]

• (5:00 p.m.)

[*Translation*]

Mr. Speaker, about this notice of motion which I put on the order paper and which appeared for the first time in the September 20 issue, I wish to give only the main points of that method which would provide a guaranteed annual income to every Canadian citizen without any source of income.

It must be clearly understood in particular that it must be done within the ordinary framework of our monetary, economic and political systems and under a free enterprise system. In our present economy, it is possible to do something to improve the lot of Canadians without purchasing power. If it is normal that the national production of $68 billion be divided between consumption and capitalization, let us keep our methods of production, consumption and capitalization, but let us make only a slight change in the distribution of the purchasing power precisely where it is lacking, namely among the Canadian citizens without any income.

It is not necessary to turn our economy topsy-turvey. Nothing is to be changed in the production process; but change is to be made in the allocation of the purchasing power for 7.6 million citizens contributing to production on top of that, there would be an individual guaranteed minimum income, according to the age for all independant citizens. This program must be implemented within the framework of our monetary, economic and political systems. This technical formula of a guaranteed purchasing power to citizens without a job and without any other income, can, in my opinion, replace all programs of family and personal allowances, the subsidizing of services and many other pension plans in Canada and in the province of Quebec.

Mr. Speaker, one administration only instead of a hundred, one universal program only, and financing consisting simply of the

recognition, by a definite credit, of the right to live for every unemployed citizen. The right to a set and predetermined salary for work as agreed upon between the employer and the employee is recognized; so is the right to a set and predetermined interest on all capital invested or loaned as agreed upon by the debtor and the creditor, by the borrower and the lender.

In any event, in our present free enterprise economy, production and financing would be allowed to operate as usual. The distribution of purchasing power would continue to operate as it does now, by distributing the salary according to the work done and the interest according to the capital invested, in the case of the 7,700,000 citizens who participate in the production. However, the guaranteed minimum income and the right to the basic needs of the other 13 million citizens could be regulated.

All this could be done now, by adopting a single and universal legislative measure on the transfer of payments, to solve once and for all the problem of the guaranteed minimum income, monthly and personal.

The Canadian citizen who is without work and without income has a right to live, he has a definite right to live, at the minimum level recognized and evaluated on the basis of the economic facts of our Canadian national life.

The application of this technical formula would replace almost all those expensive and clumsy transfer payments and would solve the income problem of the 13 million Canadian citizens who have no other income.

And so, in Canada, 20,700,000 citizens would be assured of having 20,700,000 personal purchasing powers. I realize, of course, that this summary opens the door to a mass of perfectly legitimate questions.

However, I take this opportunity, as a member, to insert this notice of motion in our public documents, so that any one might refer to it according to his interest and his wishes.

I know that it is very difficult to understand that, within this formula, the guaranteed minimum income could be paid without leading to an increase in taxes, or an increase in prices and the cost of living, for individuals as well as companies.

That is precisely the point on which I am willing to give all the required information.

Mr. Speaker, if we wish hardship, poverty and insecurity to disappear from the Canadian scene, certain steps must be taken to that effect. The means I propose are of course quite different from all that is being done now and which has led the population to the state of imbalance of which we talk and which we want to correct and rectify.

But we cannot correct or rectify it by acting as we did in the past; we must necessarily change or add something and, to my mind, there is a technical method which can readily be added to the machinery of our present systems, monetary, economic, political, capitalistic, democratic, and of free enterprise.

I point out to the house that the distribution formula of the guaranteed minimum income for each dependent Canadian citizen is a formula that can and should apply within the regular framework of our economy, of our political system, of our parliament, provided that the 264 representatives of the people, elected by the people, legislate accordingly. And according to the old saying, where there is a will, there is a way. It is true that this is more and more justified if we refer to a circular letter of May 1967, which we received from the External Aid Office, concerning international development, and I quote:

> The West Indies, long standing partners of Canada —Canadians have for a long time shown interest for the improvement of the West Indies'—towards the end of the fifties, the Canadian government had considered the possibility of granting financial aid to the West Indies Federation—In 1958, Canada announced it was making a $10 million grant.

The report added:

> In 1964-65, the assistance program was still greatly extended. Canada then allocated estimates of $9 million, $3½ million in grants and $5½ million in loans—
>
> Moreover, there was a conference of the heads of the governments of Canada and of the West Indies in Ottawa in July 1966. Canada announced that it would increase its aid still more. The estimates for the fiscal year 1966-67 showed an item of $13 million in aid to the Caribbean islands, consisting of a subsidy of $6,100,000 and of $7 million in loans. Canada also informed the West Indies that a minimum of $75 million would be given to them in the next five years.

Mr. Speaker, in answer to a comment directed by an hon. member to the minister responsible at the time—the Secretary of State for External Affairs—the minister declared that these expenditures would be beneficial to our industries and our trade This money, he said, would result in those countries buying more Canadian products.

If funds that are given to foreigners help the good functioning of our national economy, it is clear that funds given to Canadians

would bring the same results, and would, at the same time, give families a little comfort.

Comfort and security are exactly what is not sought by the present system. On the subject of victims of the Canadian income tax, allow me to quote from page 1534 of the *Hansard* of June 14, 1967:

> For instance, the unmarried person who earns a salary of $4,200 pays an income tax of approximately $475, after a deduction on $1,000, which leaves a net income of $3,725.
>
> The head of the family earning $4,200 pays $128 in taxes each year after benefiting from a deduction of $2,000 for himself and for his spouse, and a deduction of $1,150 for the three children, if we suppose that he has one aged 19 who is a student, one of 14 and one of 8.
>
> The 14-year-old child receives an allowance of $8 a month, or $96 a year. The 8-year-old child has an allowance of $6 a month, or $72 a year. That adds $168 to the income, which then amounts to a total of $4,368 a year—$4,368 less $128 tax, which brings it to $4,240.
>
> The net income of a father of three children of 19, 14 and 8 years old is $4,240 after payment of $128 income tax. The single person having the same salary of $4,200 has a net income of $3,725, after payment of $475 income tax.

I ask you to note, Mr. Speaker, that the difference between taxes and allowances leaves this father with a surplus of $515 to take care of his wife and his three children.

Therefore, here is the result: $515 more for four more persons, which is about, per person, $125 a year, or $10.50 a month, or 30 cents a day. Mr. Speaker, 30 cents a day for a man who has a wife and three children. Just imagine the small amount the members of a larger family can expect.

Mr. Speaker, 30 cents a day is the maintenance cost of little dog of 30 pounds. If the present system leaves 30 cents a day for the dog, I hope that, in the framework of a just society, we will grant to the Canadian mother an amount equal to her rank and her worth.

In order to have our industries and our trade run smoothly, a second group of citizens should be granted subsidies and I want to refer to students. At this stage, I will quote from an article published in *L'Action* of Tuesday, August 20:

> Loans to students are curtailed by strict regulations.
>
> Last week, the federal government announced a change in the formula which will add at least 2 per cent to the cost of bank loans under the student loan program.
>
> Two factors have made these changes necessary: banks have lost money when lending to students at the relatively low rates of 5¾ per cent provided by regulations since the inception of the program four years ago.
>
> [Mr. Godin.]
>
> Furthermore, the summer was bad with regard to employment for students and many of them will go back to university penniless.

• (5:10 p.m.)

Mr. Speaker, it is obvious that, for most students, life is not easy, and the system of loans at high rates is ideal, in my opinion, to train these young people to become tax collectors. However, I submit also that tax collectors do not alone account for the smooth running of the Canadian society.

Many other professionals are urgently needed. We need doctors, engineers and economists. To train honest, worthy and fair-minded men, it is absolutely necessary to free those young people from the chains of finance.

Mr. Speaker, if the estimates contribute to the development of foreign countries, let us develop ours by the same methods.

The third group which, in my opinion, would need additional help for the satisfactory operation of our industries and trade is made up of the old people, those who have reached retirement age. They should get monthly pensions much higher than those they are getting at the present time in order to be able to afford the things they are entitled to, namely medicine, a maid, or when they have to go to an old people's home, they should not have to be satisfied with the few crumbs given them after their ordinary room and board has been deducted from the little they get.

Mr. Speaker, the fourth group that should get something for a higher efficiency of our industries and businesses, is that of Canadian children, those who will replace us tomorrow. They also should get an amount proportionate to the cost of living. In view of the fact that since 1944, the member's salary has increased more than fourfold, considering that governments pay $60 a month to foster homes, considering that they pay $120—up to $150 a month in the Montreal area—to orphanages for the care given children of the same age, it would be in order, I think, to give more than the ridiculous amount of $8 or $10 a month now received for children in regular families.

Mr. Speaker, the method aims at helping families to flourish, and the family being the foundation of society I think that parliament should consider the problem seriously.

In order to have a prosperous country, let us first ensure the prosperity of all persons and all families. If families are prosperous, all institutions will be prosperous too. They will

disappear if they are not useful to the population.

We are witnessing a program of retraining of the labour force and we see small armament contracts. We have witnessed the payment of grants for winter works. Some advantages are at present being granted to designated areas. However, the economic unrest is growing.

Some ministers and members of the house as well as some highly paid economists seem to ignore the Canadian population, which is aware of this and quite understandably concerned. In view of the insecurity, poverty and deprivation of many things in the midst of affluence, we should be concerned.

Mr. Speaker, bundles of leaflets have been thrown from the gallery before. Not so long ago, a bomb exploded inside this parliament. From time to time, large and noisy delegations assemble on parliament hill. I have chosen the most courteous manner and I would suggest that a notice of motion be introduced on this subject in order to at least call the attention of the house to this matter through a normal and parliamentary process which is recognized and agreed to by everyone. This procedure is, I belive, the most logical, practical, official, regular, democratic, parliamentarian and I would also add the most efficient.

Mr. Speaker, along this line of thought, the motion which I have the honour to introduce to my colleagues today is intended to assist the 13 million Canadians who are penniless and subject to all kinds of taxes levied by the government at all levels.

In conclusion, Mr. Speaker, I hope that all the members who are in favour of the development and progress of the country will grant me their support.

Some hon. Members: Hear, hear.

[*English*]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to congratulate the hon. member for his interest and concern in the great problem of poverty in Canada and the improvement of assistance and welfare administration. I myself approach the problem somewhat differently, but I do want to congratulate him most sincerely upon his interest in the problem and for placing the matter before the house.

We claim to be a country that is concerned about equality; yet countless Canadians live today as they have lived for generations, in a web of poverty without the means, and very often without the will, to make use of their lives. It is now well documented that the hidden community of the poor in Canada is falling farther and farther behind, while the rest of us are moving forward. These people are the cruel victims of a modern technology and a modern economy which denies them jobs and a society which all too often would like to believe that they do not exist.

• (5:20 p.m.)

The most striking instance of inequality in Canada concerns, of course, our native people but there are many others, as is now well documented. It is simply not acceptable in this age of affluence for children in Canada to be raised in a virtual prison of poverty where they are exposed to bad health and bad habits and where they have neither the incentive nor the chance to learn, to leave or to break out. Yet these are now the well documented conditions of poverty and deprivation in Canada.

There are no easy or instant answers. Poverty is a complex and stubborn problem at any time, and I suggest in all sincerity that now we have the added difficulty of having to repair the damage done by a Liberal government which broke faith with the poor. They declared a war on poverty and established a special secretariat for that purpose. That has now disappeared into obscurity and has effectively lost its impact and its identity.

No government can make a man more than he is, but a government can help break down the obstacle of chronic poverty and unemployment or lack of skill and it can help to develop an environment which will encourage each individual to pursue his full potential. It is my view that this must be the liberating purpose of the social policies of the government. We have nearly reached the level of minimum security in Canada, security from want and fear. Now we must encourage individual Canadians to use their freedom to enable them to live full lives. That is what I mean when I speak about improving the quality of life in Canada, and that is one of the reasons that we must develop a truly national policy of human resource development.

The other reason is economic. There is full and persuasive evidence that it is good economic sense to follow a policy which makes productive citizens out of people who might otherwise live in poverty or unemployment or in dependence on the state. I think we must change the thrust of social policy in Canada and emphasize programs which will bring disadvantaged Canadians to a point where

they have an equal chance to help themselves. Rather than simply subsidize reliance upon the state, we should encourage self-reliance.

For example, we must improve our programs of technical training and manpower mobility with the purpose of making available to every Canadian the trade and the skill he requires to get a good job and to do it well. I notice with great regret that one of the economies practised by the government, as is apparent from the estimates recently tabled, has been to cut back on the estimates for manpower training and mobility. We must begin a thorough attack upon the causes of hard core poverty in Canada and we must make use of the experience of other governments and private groups here and in other countries.

On the subject of the development of our human resources, I tried during the election campaign to initiate a dialogue between the parties on the problem of poverty in Canada. I had hoped we might have an intelligent discussion on the subject of how we might end the tragic waste of lives and the stupid waste of money that are inflicted on this country by chronic idleness and chronic poverty.

Naturally there is concern for people who because of age, disability or some other cause are permanently removed from the labour force. There is an obligation, which I think is accepted by all of us, to see that they have an income that will sustain them at a decent and civilized standard of living. We cannot feel satisfied that we have obtained that standard yet.

But there is a much more serious problem, more costly to the economy in terms of money and in terms of wasteful, idle and unproductive human resources. It is now clear there are thousands of people in this country who have been born into poverty, were raised and are living on public welfare when they can receive it and are perpetuating a cycle with each new generation born and raised in the same circumstances. They lack education or training and frequently they lack motivation. They lack an environment or an upbringing which develops incentives to work. Many of them would not be able to recognize an opportunity if they had one.

It is now clear that these people are to be found everywhere in Canada, in the slums of our cities, on our farm lands, and among industrial workers whom technology has overtaken and deprived of their traditional employment. They represent a continuing and a growing charge on the country in many ways. Worst of all, they represent a waste of human resources that our country and our economy cannot afford, and a blight on their own lives. Many of these people are on welfare, and we have a welfare system which frequently makes it difficult for people to get off welfare. We have a philosophy and a program in this country which keep people on welfare rolls rather than encourage them to free themselves. This system does not combine temporary assistance or assistance as long as is necessary with incentive, and so it kills incentive and perpetuates the need for assistance. The system is not related to need and circumstances and so it is inequitable, uneven and, most important, frequently ineffective. Nothing could be clearer from the experience of a generation or more in this country than that our welfare system at present is wasteful and inefficient, that it is not doing a constructive job either for the individuals affected or for the country as a whole and, worse than that, it is perpetuating poverty and dependence from generation to generation.

Here I might just refer briefly to a statement which appeared at page 138 of the last report of the Economic Council of Canada. It reads as follows:

> In many such cases, the increased earnings have in effect been "taxed" at very high marginal rates, sometimes amounting to 100 per cent or more. This type of occurrence defeats the purpose of anti-poverty policies designed to encourage the development of income-earning potential. It is of course no easy matter to devise policy mixes that ensure adequate minimum income but also incorporate incentives to seek earnings, but this is all the more reason for devoting much thought and effort to good policy co-ordination.

These are some of the considerations that I have had in mind for some time and which I have tried to discuss for some time. In the case of those who are old and handicapped or are outside the work force, the responsibility of the government, of course, is to provide an adequate income. In the case of that large group who are physically and mentally able to work but do not for one reason or another, I emphasize the need for incentives, training and opportunity.

We have not had much of a discussion on this subject. We certainly were not able to have it during the campaign and we have not really had it since, although the Economic Council of Canada has made a very significant contribution to the discussion of the problem in recent months. The Prime Minister responded to my invitation to discuss the matter by making offhand remarks to the

effect that I have promised to pay an income to everyone in the country. This and other crude distortions of my position have been their substitute for informed discussion.

I suggest we must reform our welfare system which in so many instances discourages people from working and adopt a plan which encourages rehabilitation and initiative. I say to the people of this country that, for reasons of economics as well as compassion, we must get to work on this. We must rescue a new generation of youngsters trapped in poverty and dependent upon welfare. The cost of perpetuating the system we have had is far too high, both in terms of human resources and economic loss.

• (5:30 p.m.)

In the United States, for example, authorities have become worried about the waste and ineffectiveness of the present welfare system. There is a strong consensus growing there in favour of a program that would make dependence on welfare something less than permanent by combining assistance with incentive and providing skills to take advantage of opportunities to work. The studies done on this subject indicate that such a program is perhaps far less costly than any system of indiscriminate payments. I think it is fair to say that some of the candidates who have been seeking the presidency of the United States support this general concept. Included in this group would be Mr. Nixon, Mr. Rockefeller and even Senator McCarthy. The idea has been supported by the captains of industry, leaders of the labour movement and a vast number of economists of widely differing economic views. However, the idea does not seem to interest this government.

The Economic Council of Canada has suggested that we should study very carefully some of these proposals that are being put forward and some of the experiments being conducted in order to get our system on a different basis. In order to eliminate poverty and get the waste and inequalities out of our welfare system, we must move toward a new concept and a better program. We must begin seriously a thorough study to develop a program that will be effective in Canada and in Canadian circumstances. The goal of this program must be to stop the waste of lives, to stop the waste of money and, above all, to stop perpetuating poverty and perpetuating dependence.

The Economic Council of Canada has thrown a challenge to the government of Canada and to all of us. I think we should accept it. We must recognize that an effective approach to this problem involves all levels of government and is not just a matter of this parliament passing legislation. An effective attack will involve discussions, consideration and co-operation, and we must get at it.

I think it is important that the government of Canada accept the challenge that has been given to them to meet with the provinces to begin these discussions and to get on with the job. It is time we made a start. I again congratulate the hon. member upon introducing the subject and bringing it before the House of Commons. While I certainly cannot support the resolution in this form, I am very pleased indeed that he has presented us with an opportunity to discuss this subject. I again urge the government of Canada to give its most urgent consideration to the problem of poverty and to the challenge that has been placed before it. The government should begin the difficult process of making far better use than we do now of our most valuable resource, the people of this country.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I welcome the opportunity extended to us to take part in a debate on a guaranteed minimum income for Canadians. I should like to compliment both the hon. member for Portneuf (Mr. Godin) and the Leader of the Opposition (Mr. Stanfield) on their contributions to this debate. In the past few decades parliament has enacted many measures of social and welfare legislation which were proposed by the successive governments of Canada. It is only fair to mention at this time that every measure of social welfare on the statute books of our country has been introduced by a Liberal government.

In the battle against poverty, the most recent efforts of the Canadian government have been the Canada and Quebec pension plans, the Canada Assistance Plan, and the guaranteed income supplement. In all fairness, it should be stated that the Canada Assistance Plan has taken care of many income needs and welfare requirements of Canadian residents. These measures go a long way in providing a certain basic guaranteed income to our residents.

Such a guaranteed annual income program has also recently been dramatically brought to our attention by the special Senate committee on aging under the chairmanship of Hon. David Croll. This committee submitted its final report on February 2, 1966. In its

report the Senate committee recommended the establishment of a guaranteed income program to provide allowances during the entire life of Canadians beginning at the age of 65 and following certain guide lines. The committee proposed that the federal government give immediate study to this proposal.

As a result of the Senate committee's recommendation, the federal government introduced a guaranteed income supplement which came into effect on January 1, 1967. In the first fiscal year of its operation the guaranteed income supplement was made available to 715,000 Canadian residents. An amount of $235 million was added to the income of old age security pension recipients by this plan. The present Minister of National Health and Welfare (Mr. Munro), when speaking to the House of Commons on May 19, 1967, also mentioned a guaranteed annual income for Canadian residents. He stated, among other things, that this type of social assistance would be under intensive discussion by politicians as well as many economists in our country. He stated also that the policy of a guaranteed annual income would sooner or later be implemented in Canada and that if it should be, and he hoped that it would be, he also foresaw the possibility of a dismantling of much of our social welfare legislation.

For several years Mr. Speaker, proposals for a guaranteed minimum income have been advanced by sociologists, economists and politicians. The concepts of a guaranteed minimum income and a negative income tax have also been the subject of much debate in the United States, as mentioned by the Leader of the Opposition. Only a few weeks ago, some members of the Ontario select committee of the Legislature studying taxation problems were quoted in the Toronto press as being favourable to the establishment of a guaranteed minimum income in Canada.

Reference is made in the wording of the motion put before us by the hon. member to the dignity, the value and the economic rights of the human being. I should like to bring to the attention of the house the fact that early in 1968 the Prime Minister (Mr. Trudeau), who was minister of justice at that time, took part in the federal-provincial constitutional conference and issued a paper entitled "The Canadian Charter of Human Rights". In this paper, one of the rights which he defended was an economic right. He stated that the universal declaration of human rights included such rights as the right to work, the right to protection against unemployment, the right to form and join trade unions, the right to social security, the right to rest at leisure, the right to an adequate standard of living, the right to education and the right to participate in the cultural life of a community. The guarantee of economic rights, he said, was desirable and should be an ultimate objective for Canada.

In the fifth annual review of the Economic Council of Canada, which was also mentioned during the course of this debate, we learned that the problem of poverty in Canada was extensively treated and studied. The economic council also outlined the extent of low incomes in Canada and made a few recommendations. Among these was a recommendation for income maintenance when necessary and possibly the adoption of a negative income tax or a similar program that would provide families with a guaranteed annual income.

• (5:40 p.m.)

We should note, Mr. Speaker, that the economic council also stated in that report that it did not wish to pass judgment one way or the other on such proposals at the present time and would like to confine itself to nothing that the adoption of income guarantees has been advocated by a number of distinguished political figures and economists. The council also stated that the possibility for the usefulness in Canada of income guarantees should be subjected to serious and thorough study.

Furthermore, Mr. Speaker, the economic council suggested that this study must embrace, among other things, an examination of the costs and anti-poverty effects of a considerable range of existing policies, and how income guarantees would to some extent replace the present plans. In its view, we learn that only by having such broad studies made would it be possible to form a proper judgment whether some type of broader income guarantees might usefully be added to Canada's efforts in its attack against poverty.

It should be noted that the economic council has asked for greater efforts without delay to exploit the considerable anti-poverty potential of the Canada Assistance Plan. It is understandable that to come up with an adequate guaranteed annual income it would be necessary to establish an acceptable minimum standard of living for families and single persons residing in Canada. In terms of income, such standards would differ appreciably between various regions of this vast country. The establishment of such standards

would also be a difficult and perhaps a controversial enterprise, but very essential.

The increasing problems of modern living and the right to a decent standard of existence call for continuing attention by all levels of government. I believe there will always be some families and individuals in various parts of this vast country who will be unable to participate fully in the economic life of Canada because of age, disability, sickness or other reasons. To ensure an adequate standard of living, social assistance to such people should be provided in a way that will enable them to have at least a fair share in our affluent society.

In discussing the hon. member's motion, Mr. Speaker, I would like to say that the concept of a guaranteed annual income is definitely a desirable one. However, he has introduced into his motion a few specific points which would raise many difficulties. One part of the hon. member's motion states that a guaranteed annual income should be given to every Canadian citizen who is without work or other source of income.

It should be pointed out that citizenship is not at the present time a requirement for any social security program in Canada. There is no social security program, either provincial or federal, which requires citizenship as a qualifying condition for either coverage or payment of benefits. It should be mentioned that ten years' residence is the usual requirement for social assistance. Residence, however, is not the only requirement. The aspect of eligible age is also one of the conditions to qualify for certain pensions now available in Canada.

Another aspect of this motion which raises some difficulty is the inclusion of the words "without work or other source of income". The motion, therefore, excludes those who are working for an insufficient income, those who work on a part time basis, or those who do not work at all and have insufficient income from other sources. In my opinion, a guaranteed annual income should not have any restriction except the one of need and residence. Furthermore, Mr. Speaker, the motion as it is now worded is not specific enough as regards coverage. The motion would seem to include housewives, dependants, students, other people not working and even those who have no intention of going to work.

It could be argued that the provision of a universal guaranteed annual income would undermine the incentive to work of persons who feel that they could get as much under this program as if they were employed in marginal occupations. It is quite likely that a guaranteed annual income program would induce certain members of the population to withdraw from marginal employment. But it should be stressed that the actual cost to an individual or family of accepting a guaranteed annual income in lieu of working means the virtual acceptance of a rather low standard of living. The inducement to improve one's standard of living through increased income may still be sufficient incentive for persons who are capable of employment.

Many of the opinions expressed about the effect of high taxes, social security benefits and the incentive to work are based on attitudes rather than empirical evidence. There is not much information available today on the effect of high income tax rates and work incentives in all income groups. The effect of high marginal tax rates on low income classes may be quite different from their effect on upper income groups. The two groups may react quite differently because their attitudes toward work may not be the same or the levels of the average tax rates do not seem equally burdensome.

The hon. member also mentions in his motion that the guaranteed minimum income should be derived from the national product so as not to increase taxes on individuals or companies, the cost of living, or the cost of any product or service. The new program of a guaranteed minimum income for Canadian residents will, I believe, be considerably more expensive than the aggregate cost of the programs which it may replace.

Some economists have estimated that federal and provincial governments now spend about two and a half billion dollars per year on welfare schemes. It has been stated that a guaranteed annual income would cost the United States approximately $20 billion and in Canada would amount to about one and a half to two billion dollars per year. It is therefore evident, Mr. Speaker, that the new expenditure required to provide such a guaranteed annual income for Canadian residents would result in higher taxes, or increased borrowing by the government, or replacement of all social welfare programs by all levels of government, or the inflation of currency, or some combination of these choices. There is no other possible way, Mr. Speaker, in which a guaranteed annual income could be financed from the national product, as suggested by the hon. member in his motion. The financing of the increased cost consequent upon this

measure means that taxes would most likely have to be increased and that additional pressures would be put on the price level, therefore making it impossible at the present time to meet the objectives of this motion.

In conclusion, Mr. Speaker, the fact that poverty still exists in many sections of the Canadian population means that our present social welfare system on the federal, provincial and municipal levels, as well as the assistance provided by charitable organizations, seem to be inadequate to deal effectively with the problem. A politically feasible, socially desirable and financially possible scheme for Canada, however, should be set up in such a way as to minimize both budgetary and real costs while providing an adequate minimum for those people who are unable to work or have insufficient income from other sources.

• (5:50 p.m.)

To provide such an annual guaranteed income means, Mr. Speaker, that we need more research on many aspects of this problem. The present administration is committed to the removal of any existing inequities in our social welfare system and I am confident that the present government is tackling the problem of poverty vigorously. I wish to express the hope that soon the correct measures will be implemented by this parliament.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, it is quite correct that there are defects in the motion proposed by the hon. member for Portneuf (Mr. Godin). Some of us do not think that his way of carrying out his idea would work. But the gist of my hon. friend's motion is that this House of Commons should begin to consider a new idea, the idea of a guaranteed income for all our people. I regret that to the Leader of the Opposition (Mr. Stanfield) this motion presented only an opportunity to berate the Liberal government for what it has not done and that for the hon. member for Parkdale (Mr. Haidasz) it presented only an opportunity for him to boast of what he claims the Liberals have done.

An hon. Member: And what's that?

Mr. Knowles (Winnipeg North Centre): Sooner or later, and I hope it will be sooner rather than later, all of us who think we are in positions of leadership in this country will have to face this new idea of divorcing incomes, social welfare, pensions, and things like that, from work and the old concepts we still have. Sooner or later, we must recognize

[Mr. Haidasz.]

that life itself carries with it certain economic rights. This motion places that question before us and I congratulate the hon. member for Portneuf for proposing it.

I regret that the rules of the house permit only one hour to discuss this question. Only five or six minutes of that hour are left to me to speak, so that some of my thoughts on the subject will have to be expressed on another occasion. Likewise, some of the interesting quotations on my desk must also be saved for another occasion. I must, however, draw the attention of the house to a few quotations I have because they come from a responsible person working in this field and they suggest to us, I believe, some new ideas that we must consider.

I hold in my hand a copy of an address that was given recently in Winnipeg by Dr. Reuben C. Baetz, executive director of the Canadian Welfare Council. Dr. Baetz was giving an address at the Social Service Audit workshop held in Winnipeg. His address was delivered on September 19.

As I say, if time had permitted I would have quoted a great deal from the remarks of Dr. Baetz. In the meantime I wish to quote to the house some remarks that are very much to the point. He said:

> In any consideration of social rights and social welfare, the matter of a sufficient income, as a right, must sooner or later be faced squarely.

He is not talking about social welfare or the money you obtain because you work or do not work; he is not talking about a minimum income, a minimum wage which is just enough for a man to get along on; he is talking of a sufficient income as a right. He goes on to say:

> This may be extremely unpalatable to some, but the logic of it is impossible to escape. Dostoevski said "income is coined freedom". In our society of free enterprise the man with sufficient income has substantial freedom. He has a wide range of choices as to where he lives, how he is housed and clothed, what he eats and drinks, and who his friends and neighbours should be. Conversely, the individual with an inadequate income loses substantial freedom of choice and action, and can become the most fettered and dependent of all men.

Dr. Baetz again asks the question, "Does a man have the right to an adequate income?". This is what we should be talking about when we discuss this subject, Mr. Speaker. We should discuss not just compassion in dealing with the poor, not just minimum incomes or the minimum wage, not just a handout for the people who live on the other side of the tracks to enable them to continue in their

meagre existence. We should be discussing adequate incomes for everyone.

Replying to his own question, Dr. Baetz said:

> This question has social, economic, moral, and political overtones. As a nation we have not resolved the question, either at the intellectual or practical level. The result is a prolonged and gigantic 'ad hocery" in social welfare programming. To the extent that we continue to "waffle" at the philosophical level, we will continue to "waffle" at the administrative level. If we are honest with ourselves we will recognize the present inconsistency in our position which states that no one should starve, but no one is guaranteed an adequate income either.

I suggest, Mr. Speaker, that that is as far as our contemporary society has gone in this field. We say that no one should starve and therefore we hand out relief, welfare and unemployment insurance. Yet when someone suggests that we guarantee an adequate income to all our people the hon. member for Parkdale stands up and says that this means allowances for women and children—Why not?—and it will cost an awful lot of money.

In an age as affluent as our present society, in an age where computer techniques enable man to go to the moon and return, surely we can declare our belief in the rights of human beings and devise a system that will provide a guaranteed annual income to all.

Some hon. Members: Hear, hear.

Mr. Knowles (Winnipeg North Centre): I see that time is passing. I must save the rest of my ideas until I speak on a motion under my name later, perhaps in two or three days. But, Mr. Speaker, I hope you will allow me to read another sentence from the comments of Dr. Baetz. He said:

> I suspect that one or two decades hence, when the crop of post World War II students now coming out of university will be making the decisions, we will have some scheme for a guaranteed annual income which will probably be integrated with our taxation system. They will no doubt look back with some amusement at the income maintenance efforts and underlying philosophies in the "swinging 60's"!

We must do a lot better, Mr. Speaker, and we had better start doing it soon.

Some hon. Members: Hear, hear.

Mr. Speaker: The hour put aside for the consideration of private members' business has now expired.

BUSINESS OF THE HOUSE

Mr. Baldwin: May I ask the government house leader to indicate the order of business for tomorrow and possibly Friday?

Mr. Macdonald (Rosedale): Mr. Speaker, I propose that tomorrow we continue with the debate on the resolution preceding the bill to amend the Farm Machinery Syndicates Credit Act, item 7 on today's order paper, thereafter proceed to item 5 on today's order paper, the resolution preceding the amendment to the Farm Improvement Loans Act, and thereafter proceed to second reading of Bill C-110, item 6 on today's order paper. I shall be making a statement tomorrow with respect to the business for the oncoming week during the question period, at which time I shall deal with the business for Friday and for next week.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, October 3, 1968

The house met at 2.30 p.m.

POST OFFICE DEPARTMENT

ANNOUNCEMENT OF INCREASE IN MONEY ORDER FEES

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, I have a declaration to make; and I may say we are getting out these declarations before the study of the post office bill in order that all members of this house may have a better and broader idea of some of the changes that are being made in the post office.

The cost of post office money orders will increase as of November 1. Increased revenues of approximately 25 per cent are expected from the new fee structure. These increased revenues will not balance the money order operation now, but when coupled with a new money order system which will be fully operative by 1970, this service will then begin to pay its own way.

The new fee structure simplifies the money order operation in that seven fees only are required for the transmission of money in amounts up to $100 to any point in Canada or to any country with which the Canadian post office has an agreement for the exchange of money orders.

While the maximum fee of 25 cents per $100 in Canada remains unchanged, a minimum charge of 10 cents has been introduced. The complete schedule of fees is as follows. Money orders for less than $1 will now cost 10 cents; less than $5 will cost 15 cents; less than $15 will cost 20 cents, and up to $100 will cost 25 cents. Money orders in all amounts to the United States will cost 25 cents. Money orders to the United Kingdom of less than $10 will cost 25 cents; less than $50 will cost 50 cents and up to $100 will cost 75 cents. Money orders to other countries up to $50 inclusive will cost 75 cents and from $50 to $100 will cost $1. We expect to recover about 82 per cent of our costs for the money order system. Therefore it can be seen that pressure remains on the department to introduce new, efficient and modern techniques in order that it may recover the additional 18 per cent, which is something of the order of $2,500,000. I do not think the public would forgive us if we solved our problems only by increasing rates.

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, I should first like to thank the minister for his courtesy in supplying the opposition with an advance copy of this announcement. However, we are particularly sorry that this government has once again seen fit to hit the little people. The minister apparently has a great concern about making the Post Office Department pay its own way. I am not sure where I stand in that regard, but I am wondering whether—

Some hon. Members: Oh, oh.

Mr. McCutcheon: I am just wondering whether the minister might prevail upon his cabinet cohorts to do what they can to make the C.B.C. pay its way.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am happy to confirm the fact that the Postmaster General was courteous enough to let us have copies of his statement, but that does not make the statement any easier to accept. The Postmaster General says he is making these announcements one at a time so that when we reach the discussion of his proposed legislation we will have the total picture. I suggest that what the Postmaster General is demonstrating is that we ought to amend the Post Office Act so parliament will have control over more of the rates than is now the case. We seem to have control over the postage rates for first class mail and a few other things, but there are many aspects of the postal service and many charges which apparently the government can put into effect by executive action without getting parliamentary approval. This ought not to be.

• (2:40 p.m.)

This announcement today, when coupled with other announcements concerning increased charges, and when coupled also with the announcement that the delivery service is to be reduced to a five day week, gives a total picture of increased charges and reduced service. We do not think this is the

kind of package we should be getting from this government which is dedicated to the concept of new politics.

I have just one other comment, Mr. Speaker. Every time the Postmaster General makes an announcement he recites the cliché about the department paying its way, as though that were an article of faith. The hon. member who preceded me said he did not know where he stood on this issue. I say to him, to the Postmaster General and to the government as a whole that it is not an article of faith that every individual service provided by the government has to pay its way. National defence does not pay its way; the Senate does not pay its way. There are many things in our structure of society and government which do not necessarily in themselves pay their way. There are services that government is set up to provide. We think this is a false cliché that the government should not be able to get away with, as the Postmaster General tries so often.

We shall be well armed for the discussion on the post office legislation when it comes, but it seems to us that if there are many more of these announcements it will be one great big package of reduced service and increased charges, and we do not like it.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I too thank the hon. minister for his courtesy in sending us a copy of his statement. I also congratulate him on sending me a text written in perfect French, something we do not see too often.

Mr. Speaker, according to the statement of the minister, the income of the department will be over 25 per cent higher than in the past. Now, everyone knows that as the result of the recent postal employees' strike, salary increases of some 17 per cent were granted.

But today, the minister announces a 25 per cent increase in returns, and that means not only an increase in returns, but also an increase in taxes for the Canadian people, because the Canadian people will be paying those fees or new taxes.

Now, we see that the fee on a money order for 1 to 99 cents will be 10 cents, and 25 cents on a $15 to $100 money order.

As the minister is a member of the government that is working towards the just society it promised, why does he not suggest, at the same time, to all his friends who voted for the present government, that they ask for one-cent money orders instead of $100 money orders, to enable the government to make 10 cents per money order instead of only 25 cents for a $100 money order?

It seems to me that would fill up the coffers of the government more easily, because, naturally, there is a lack of funds. Every time similar statements are made, we are told that there will be an increase in taxes. While he was at it, the minister could have proposed the issuance of one-cent money orders only, which would mean returns of 10 cents each time a money order is made out. The minister would then have no financial problems and only the Canadians, especially those who elected this government, would realize to what extent the just society is being set up in Canada.

[*English*]

HOUSE OF COMMONS

MEMBERSHIP OF SPECIAL COMMITTEE ON PROCEDURE

Mr. Bernard Pilon (Chambly): Mr. Speaker, pursuant to the order of the house made on September 24, 1968, I move:

That the special committee on procedure appointed on September 24, 1968, be composed of the following members: Messrs. Aiken, Blair, Deachman, Forest, Horner, Jerome, Knowles (Winnipeg North Centre), Lambert (Edmonton West), Lang, Macdonald (Rosedale), Olson and Rondeau.

Motion agreed to.

AGRICULTURE

CORN—REQUEST FOR PERMISSION TO TABLE STATEMENT AND DOCUMENTS

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I should like to table a statement on corn in English and in French along with four background papers, also in both languages.

Mr. Speaker: Has the minister leave to table these documents?

Some hon. Members: Agreed.

Some hon. Members: No.

An hon. Member: What kind of statement?

Mr. G. W. Baldwin (Peace River): Before this statement is tabled could the minister indicate what it is? Merely to have an indication that there is a statement is not sufficient. We should have some amplification.

Mr. Olson: I would be glad to read it, but it is seven pages long.

An hon. Member: What is it?

Mr. Olson: There are additional copies available now in both languages which could be handed out to hon. members.

Mr. Speaker: Order, please. The minister has asked for leave to table these documents. If there is no leave, the documents cannot be tabled.

CORN—REQUEST FOR STATEMENT ON STABILIZATION POLICY

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to address a question to the Minister of Agriculture. Not knowing what might have been in the statement mentioned a minute ago, and in view of the uncertainty surrounding the government's intentions and because of the expected arrival tomorrow of a cavalcade of corn growers, will the minister undertake to clarify very succinctly the government's intention with regard to the stabilization of the corn market?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I would be glad to read the statement if the house were willing to revert to motions so I could do that, but it will take eight or ten minutes to do it.

Some hon. Members: Let us revert to motions.

Some hon. Members: No.

HOUSING

TORONTO—RESTRICTION ON ADVERTISING BY NEW REAL ESTATE COMPANY

On the orders of the day:

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Acting Prime Minister. It concerns his responsibility for housing. Can he tell us whether he has investigated the charges made in *Maclean's* magazine that a new Canadian real estate company has been denied access to the classified sections of two Toronto newspapers; and if the minister has investigated these serious charges could he inform the house?

Hon. Paul Hellyer (Minister of Transport): I understand that information has been received in my office in respect of this matter and I propose to send it to the combines investigation branch. If they feel that an investigation is warranted, I might also send it for consideration to the Toronto real estate board.

Mr. Saltsman: I have a supplementary question. I wonder whether the Acting Prime Minister would also consider referring this matter to his task force, since it would probably be of interest to them in their study of housing in Canada.

Mr. Hellyer: I think that is a good suggestion. If the allegations prove to have some foundation then it would of course be a matter in which the task force would be interested.

[*Translation*]

PILOTAGE

INQUIRY AS TO IMPLEMENTATION OF ROYAL COMMISSION REPORT

On the orders of the day:

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to put a question to the hon. Minister of Transport.

Could he tell the house whether his department intends to act on the recommendations of the royal commission on pilotage and introduce a bill in this house in the near future?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Yes, Mr. Speaker, it is proposed that legislation will be introduced during the current session which will be of an interim nature. Then additional legislation covering the question of pilotage on a more comprehensive basis will be introduced perhaps at the next session of parliament, as soon as agreement can be reached as to what the long term legislation should be like.

[*Translation*]

Mr. Fortin: Mr. Speaker, I should like to thank the hon. Minister of Transport for his answer. I think it is going to make many Canadian pilots happy, particularly those in the riding of Lotbinière.

I would like to ask the minister whether he intends to introduce interim measures until he can present the legislation which he has just mentioned, in order to assist Canadian pilots in taking some retraining, since their situation is untenable at present.

[*English*]

Mr. Hellyer: If I understand the question correctly, Mr. Speaker, that is what we propose to do.

Mr. Thomas M. Bell (Saint John-Lancaster): May I ask the minister whether the interim

legislation to which he has just referred will apply to all pilotage districts, or to just one or two particular districts in Canada?

Mr. Hellyer: I do not believe I can answer that question from memory, Mr. Speaker, I am not sure whether it applies to all districts, but it certainly would apply to the St. Lawrence and great lakes basin, which are primarily affected.

EXTERNAL AFFAIRS

BIAFRA—INQUIRY AS TO VISIT BY CANADIAN MEMBERS OF PARLIAMENT

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): I do not know who is acting as minister of external affairs, but I am sure the house and the country would like to know whether the department has ascertained if the political pilgrims to Biafra arrived in that country with greater ease than food and other assistance has been able to achieve.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I regret that I am no better informed than those who also read the newspapers. However, if it is of interest to the house I will secure a report for tomorrow.

Mr. Diefenbaker: Would the minister say whether the high commissioner's office in that country is being advised regarding the work of mercy of these gentlemen, and whether the co-operation of the department is going to be given to assure their safety?

Mr. Drury: The gentlemen referred to as the pilgrims will get the usual courtesy extended to every Canadian by our high commissioner in Nigeria. Unfortunately we do not have a high commissioner in Biafra.

TRADE

PROPOSED ACTION TO STABILIZE PRICES OF PRIMARY COMMODITY EXPORTS

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy Royal): I should like to direct my question to the Minister of Industry, Trade and Commerce, and it arises out of the recent meeting of the I.M.F. and the world bank. Does the government prefer not to act now on the proposal to help stabilize the prices of primary commodity exports from underdeveloped countries?

[Mr. Bell.]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Perhaps I could be given 24 hours to study the question and discuss with the hon. member its full purport; then I would give an answer tomorrow.

Mr. W. B. Nesbitt (Oxford): I wonder if the minister would make representations to his representative that steps be taken to stabilize the prices of world commodities other than just those from underdeveloped countries, such as corn for instance?

INDIAN AFFAIRS

VISITS TO RESERVES BY PARLIAMENTARY COMMITTEE

On the orders of the day:

Mr. Robert Simpson (Churchill): My question is directed to the Minister of Indian Affairs and Northern Development. As the minister is probably aware, during the last parliament the committee on Indian affairs was authorized to make visits to the reservations, which was not done to any extent. Can the minister assure the house that this same authorization will be given to the standing committee on Indian affairs and northern development?

Mr. Speaker: It seems to me the hon. member is referring to a question relating to the internal management of the committee, and such a question should not be asked at this time.

Mr. Simpson: May I reword the question. Can the minister assure the house the committee on Indian affairs and northern development will be called together very quickly?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I hope so, Mr. Speaker; soon.

POST OFFICE DEPARTMENT

COMPLAINTS RESPECTING CURTAILMENT OF NEWSPAPER DELIVERIES

On the orders of the day:

Mr. Barry Mather (Surrey): I should like to ask the Postmaster General to check his department to ascertain whether he has received complaints from the daily newspapers of Canada about the curtailment of service, which they claim will result in Friday's newspapers being delivered to people on rural routes on Monday?

Mr. Speaker: Order. The hon. member is asking whether the minister has received

such representations. The question as asked in those terms is not in order.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Can the Postmaster General say what arrangements will be made so that Friday newspapers will reach their readers before the following Monday or Tuesday?

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, we are going to hold meetings early next week with the circulation managers of the various Canadian dailies or representatives of their associations. I have heard from some papers, and I think I am breaking even in the editorial comments. Some are good and some are critical.

CANADIAN BROADCASTING CORPORATION

DICTATION BY SPONSORS OF SCHEDULING OF PROGRAMS

On the orders of the day:

Mr. J. E. Walker (York Centre): Mr. Speaker, I have a question for the Secretary of State. With particular reference to the Quentin Durgens, M.P. television series, does the C.B.C. allow sponsors to dictate the scheduling of such programs?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): It is quite obvious that, as a rule, the C.B.C. does not allow sponsors to dictate the time when programs will be shown. With regard to the particular case mentioned by the hon. member, I will be glad to check and get the information.

[*English*]

STUDENT LOANS

SUGGESTED RELAXATION OF NEW REGULATIONS

On the orders of the day:

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question that I planned to direct to the Prime Minister, but in his absence I will direct it to the Acting Prime Minister. The urgency of my question relates to the Prime Minister's experience with university students in Regina yesterday.

Will the Acting Prime Minister indicate to the house whether the government contemplates relaxing the tight criteria that is now evident with respect to student loans?

Mr. Speaker: Order, please. I think the second part of the question might be placed on the order paper.

INDUSTRY

CAPE BRETON—INQUIRY AS TO REPORT ON DEVCO REPORT

On the orders of the day:

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, in the absence of the Prime Minister, and because of the urgency of this matter to the people of Cape Breton, I would ask the Acting Prime Minister whether the government is now in a position to make a statement on the Devco report; or is the minister prepared to table that report?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I will take the question as notice and bring it to the Prime Minister's attention.

Mr. MacInnis (Cape Breton-East Richmond): On a point of order, Mr. Speaker, this question has been raised with the government as a matter of urgency. Telegrams and messages are pouring in from Cape Breton asking for a report from the government, which report was due before this. Since the report is overdue I think it is time the government found out who is responsible for making that report.

Mr. Hellyer: Mr. Speaker, perhaps the minister responsible would like to say something about this.

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, I received the report a few days ago. I intend to study it and later on I will see what I am going to do with the report.

Mr. MacInnis (Cape Breton-East Richmond): A supplementary question. Would the minister take into consideration the urgency of this matter to Cape Bretoners and make the report available, in view of the fact that the time allotted under the legislation has now passed?

Mr. Marchand (Langelier): Mr. Speaker, I have received the report which is dated October 1. If the hon. gentleman would be nice enough to give me time to read and study it, that would be appreciated.

Inquiries of the Ministry

NORTHERN AFFAIRS

RECOMMENDATIONS OF INDIAN-ESKIMO ASSOCIATION RESPECTING COMMUNITY DEVELOPMENT

On the orders of the day:

Mr. John Burton (Regina East): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. Does the government intend to carry out any further reorganization of Indian affairs administration in order to give effect to the recommendations of the Indian-Eskimo Association of Canada to transfer community development functions to a native Canadian development institute?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, that suggestion from the Indian-Eskimo Association has been received and like any other recommendation made to our department by the groups concerned, it is being given serious consideration.

[*English*]

Mr. Burton: A supplementary question, Mr. Speaker. Has the Minister of Indian Affairs and Northern Development now supplied the Minister without Portfolio with a copy of the booklet outlining the reorganization of the department?

[*Translation*]

Mr. Gérard Laprise (Abitibi): I wish to put a supplementary question to the Minister of Indian Affairs and Northern Development.

Could he assure the house that he will make available to members of parliament or, at least, to members of the Indian affairs committee, a copy of the discussions now taking place in Quebec and in other parts of the country?

Mr. Chrétien: Mr. Speaker, officials are taking note of every meeting. Rather than a word for word report, it is an account of the gist of the arguments advanced. I hope that at the end of the nineteen consultations now being held, a report of the opinions expressed by the representatives will be made available to members of the committee and, perhaps, to all the members of parliament.

[Mr. Marchand (Langelier).]

[*English*]

HARBOURS

ROBERTS BANK, B.C.—REPRESENTATIONS RESPECTING RAIL LINE

On the orders of the day:

Mr. Douglas A. Hogarth (New Westminster): My question is for the Acting Prime Minister, Mr. Speaker, but is addressed to him in his capacity as Minister of Transport. Will the minister advise the house whether action has been taken by the minister as a result of representations made pertinent to the rerouting of the rail link to Roberts Bank.

Mr. Speaker: I suggest to the hon. member that on the face of it this question might be placed on the order paper. If there is urgency which is not apparent to me the hon. member can give me appropriate notice and the matter will be discussed at the time of adjournment. There can be no supplementary question.

[*Later:*]

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I am glad to see the Minister of Transport in his seat. I am directing this question to him in his capacity of Acting Prime Minister with his peculiar knowledge as Minister of Transport. My question is, was the Minister of Public Works announcing government policy in Vancouver when he said that the federal government must control the railway access to the Roberts Bank port?

Mr. Hellyer: I have not seen the report referred to by my hon. friend.

Mr. Nowlan: I have a supplementary question. The other day the Prime Minister was asked a somewhat similar question in your absence—

Mr. Speaker: Order, please. The hon. member should direct his question to the Chair.

Mr. Nowlan: Just to edify and educate the Minister of Transport, a question was asked of the Prime Minister, and he said the Minister of Transport when he returned would in time make that statement. I wonder whether you are in a position to make that statement as Minister of Transport.

Mr. Speaker: Order, please. The hon. gentleman knows he must address his question to the Chair.

Mr. Nowlan: Is the Minister of Transport prepared to declare the policy that the Prime

Minister said the Minister of Transport would declare when he returned to the house? I am glad to see him back.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, the hon. member for Annapolis Valley was just ruled out of order because he referred to the Acting Prime Minister as "you", or "did you", or so on. I would remind the house that the swinging Prime Minister, who wants to make this a swinging place—

Mr. Speaker: Order, please. This is not the reason the hon. member for Annapolis Valley was called to order. I am sure he realizes what the situation is.

Mr. MacInnis (Cape Breton-East Richmond): The Prime Minister made reference to ministers of his own cabinet by name the other day and was not called to order for it.

Mr. Speaker: Order, please. I thank the hon. member for his lecture.

[*Later:*]

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Transport. Is the government currently discussing with the B.C. provincial authorities the jurisdictional problem involved in respect of the rail route to Roberts Bank?

Mr. Hellyer: No; not officially to my knowledge. We have taken the position that the routing of the railway owned by the B.C. government is a matter exclusively within the jurisdiction of the province. At the same time we have noted the interest of all because of the controversy in respect of land use. It is in this connection that we have expressed our concern, and we have made representations to the government of British Columbia in that context.

Mr. Nowlan: I have a supplementary question in order to perhaps clarify my earlier question of today. Would the Acting Prime Minister kindly look at the statement by the Minister of Public Works in Vancouver last week end and report to the house concerning whether that is government policy? Will he also advise the house when we might expect a statement on the position of the federal government in respect of the Roberts Bank access road?

Mr. Hellyer: Mr. Speaker, I will be glad to take note of the suggestion and find out what the Minister of Public Works has said in this connection.

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, will the minister please inform the house whether a legal opinion has been obtained as to whether this is a provincial or a federal railroad?

Mr. Hellyer: At least one, Mr. Speaker.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I should like to ask the minister whether it is the intention of the government to seek a definitive legal opinion on this matter?

Mr. Hellyer: Yes, Mr. Speaker.

EXPO '67

REPORTED INABILITY OF AUDITORS TO VERIFY REVENUES

On the orders of the day:

Mr. A. D. Hales (Wellington): My question is directed to the Minister of Industry, Trade and Commerce. Since in its recent audited statement Expo '67 showed an approximate loss to Canada of $274 million, and since the two auditors said they were unable to verify all the revenues received, can the minister explain this failure to verify revenues? If so, can he say in what form the auditors communicated with him?

Mr. Speaker: I am not sure whether this question ought to be allowed. If there is urgency perhaps the hon. member might indicate where the urgency lies.

Mr. Hales: This is an urgent matter, Mr. Speaker. I think the minister ought to advise the house whether he has an explanation for this failure to verify.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, first of all I cannot accept the premise that this was a loss. I think it was an investment in Canada, in the future of the country.

Some hon. Members: Hear, hear.

Mr. Pepin: On the specific subject of control of revenue, the Auditor General has indeed made a comment in his report. The best answer I can give the hon. member is given by the corporation itself. At page 18 of its annual report are found these words:

> The control of the direct currency receipts of Expo 67 has been considered one of the largest activities of its kind in the World. The management faced one of its greatest challenges when, within the first days of the opening of the exhibition, it became necessary to proceed to a review and to adapt all its installations in order to accommodate—

Mr. Speaker: Order, please. Would the minister kindly come to the conclusion of his reply.

Mr. Pepin: The easy answer is that the money not accounted for, some $97,798, represents one tenth of one per cent of the revenues of the corporation that the Auditor General could not certify. The record of the Expo corporation in this regard, I am told, is as good as the record any similar corporation could have achieved.

Mr. Hales: A supplementary question, Mr. Speaker. I asked the minister whether he had received a letter from the auditors explaining the failure to verify. That is the question I should like to have answered.

Mr. Pepin: No. The point is made in the report of the Auditor General. I regret that everything was not forecast or foreseen by Expo as well it might have been had it been operating in heaven.

Mr. Hales: May I direct a supplementary question to the President of the Treasury Board. Has the loss mentioned in the report been taken care of in the estimates that have just been tabled? If so, under what department does the matter come?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I think the house will recollect that last fall it was indicated that special provision outside of regular estimates would be made in respect of the deficit, if any, for Expo. There is no provision in the current estimates to cover this.

Hon. Robert L. Stanfield (Leader of the Opposition): A further supplementary question, Mr. Speaker. Will this matter be covered by supplementary estimates?

Mr. Drury: If, Mr. Speaker, the deficit is to be resolved or concluded this year, it will have to be done by way of supplementary estimates. If, however, the deficit is not to be closed out in the current fiscal year, there will be no need for a supplementary estimate this year.

Mr. Hales: A further supplementary question to the President of the Treasury Board. Since Expo corporation must close its books at the end of March, 1969, will this matter appear in the estimates or will there be a supplementary estimate to cover it?

Mr. Drury: As I pointed out, Mr. Speaker, and as the hon. member just mentioned, the books only close on the last day of the fiscal year. There is then a choice of dealing with this matter in the current fiscal year, in anticipation, or in the next fiscal year after the event. That choice has not yet been made.

GRAIN

REQUEST FOR NAMES OF NATIONAL COUNCIL MEMBERS

On the orders of the day:

Mr. A. P. Gleave (Saskatoon-Biggar): I wish to direct a question to the Minister of Industry, Trade and Commerce. Will the minister assure the house that he will table the terms of reference and list of members of the proposed national grains council before that council is actually established?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Minister of Agriculture and I are meeting in Winnipeg, and following this we shall appoint members to the council. Who those members are will very rapidly become public knowledge. If my hon. friend wants me or the Minister of Agriculture to table the names of these hon. gentlemen, I will gladly do so.

[*Translation*]

PUBLIC BUILDINGS

QUEBEC—INQUIRY AS TO CONSTRUCTION

On the orders of the day:

Mr. Henri Latulippe (Compton): Mr. Speaker, I wish to direct a question to the honourable Postmaster General.

In view of the critical economic situation in the eastern townships, would the honourable Postmaster General tell the house whether he intends to implement the decisions of the government to build two federal buildings, one in Coaticook, and the other in Lac Mégantic, which would contribute to giving assistance and work to the unemployed.

Mr. Speaker: The honourable member might want to put this question on the order paper?

[*English*]

TRANSPORT

PROPOSED NEW CANAL BETWEEN LAKE ONTARIO AND LAKE ERIE

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): I have a question for the Minister of Transport relating to my question of yesterday regarding the ship canal facilities between lake Erie and lake Ontario. This is

an urgent matter, since those facilities are quickly nearing the saturation point. My question is this. Has the minister received a recommendation from the St. Lawrence Seaway Authority urging the expansion of these facilities?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I do not really think this matter is of sufficient urgency to be dealt with on orders of the day, but since the question has been asked, however, I shall try to answer. A report was tabled some months ago on the study which has been made in respect of the future of the seaway, and particularly of the Welland canal. This report has been under study by an interdepartmental committee for some time. There is not yet a recommendation available for consideration by the government. In the meantime, as a result of technological improvements in the handling of ships, improved control methods and other means indicated, we may be able to prolong the usefulness of the existing canal system by some number of years, with a consequent saving of tens or hundreds of millions of dollars to the Canadian taxpayer.

PRINCE EDWARD ISLAND CAUSEWAY—REQUEST FOR STATEMENT OF INTENTION

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): I have a question for the Acting Prime Minister prompted by an item in today's Toronto *Star* quoting government spokesmen to the effect that the Prince Edward Island—New Brunswick causeway project has been scrapped; that the bitter pill has been prepared and the sugar coating is being sought. Will the Acting Prime Minister advise whether the government still honours its commitment to Prince Edward Island and intends to build this causeway?

Hon. Paul Hellyer (Minister of Transport): I think I should refer this question to the Minister of Public Works.

An hon. Member: It is his day off.

Mr. Muir (Cape Breton-The Sydneys): Never on Thursdays.

Mr. Hellyer: May I reply by saying there has been no change in the position of the government since the last occasion on which this question was raised in the house, and that any change in policy which might be made would be reported to the house in the usual way.

AIR CANADA

INQUIRY AS TO APPOINTMENT OF PRESIDENT

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Is the report true that the minister intends to appoint Mr. Rod McIsaac to the presidency of Air Canada?

Mr. Speaker: Order, please. The hon. member no doubt realizes that he cannot ask the minister to confirm or deny a report.

Mr. Hees: Ten o'clock please, Mr. Speaker.

Mr. Hellyer: As a former minister of transport the hon. member must know how little influence the minister really has.

AGRICULTURE

CORN—REQUEST FOR STATEMENT ON MARKETING POLICY

On the orders of the day:

Mr. H. W. Danforth (Kent-Essex): My question is for the Minister of Agriculture, Mr. Speaker. Has the government formulated a definite policy regarding corn marketing? Has this policy been made known to the press, or does the minister intend to follow the normal course and announce government policy in this regard in a statement in this house on motions?

Hon. H. A. Olson (Minister of Agriculture): I tried to table a report a few minutes ago but hon. gentlemen in the opposition refused.

Some hon. Members: No.

Mr. Olson: Well, they did, Mr. Speaker; they refused to accept it. The reason I did not read it is this that since it is very comprehensive it would take ten minutes to do so.

Mr. Ricard: Revert to motions.

Mr. Olson: Even though members opposite did not allow it to be tabled, there are copies around.

Some hon. Members: Hear, hear.

Mr. Baldwin: On a point of order—

Mr. Speaker: Order, please.

Mr. G. W. Baldwin (Peace River): Let it be quite clear on the point raised by the minister that he asked leave to table a statement as to the contents of which we had no idea whatsoever. If the minister, like his colleagues, was prepared to make statements which are succinct and directed to the facts, we would be

prepared to entertain them. This is what the standing orders provide for. I think the minister has no right to slip in information through a procedure of this kind because he is not prepared for members on this side to comment on it.

Some hon. Members: Hear, hear.

Mr. Olson: On that point of order, Mr. Speaker, I am fully aware of the procedure referred to. But I think the house leader for the other side should know that this subject of corn marketing in Ontario and the problems involved is very broad and complicated, and I could see no useful purpose in making the statement any shorter.

Mr. Danforth: May I ask the minister whether, if this side of the house is prepared to revert to motions, he will make this statement to the house today?

Mr. Olson: Yes. I have it here and I am prepared to read it if hon. gentlemen opposite wish to revert to motions.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: We must have unanimous consent, and the Chair has heard negative replies to that suggestion.

Some hon. Members: Oh, oh.

Mr. Ricard: From the Liberal side.

BUSINESS OF THE HOUSE

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Can the President of the Privy Council in his capacity as leader of the house indicate the nature and order of business for the coming week?

Hon. Donald S. Macdonald (President of the Privy Council): Yes, Mr. Speaker. Today we propose that the house consider first the two farm financing resolutions, the resolution preceding amendments to the Farm Improvement Loans Act and then the resolution preceding the Farm Machinery Syndicates Credit Act amendments.

We would then call today second reading of Bill C-109 with respect to the Windfall extension of the C.N.R., in the hope perhaps of receiving third reading also by leave of the house.

Tomorrow we would call the resolution preceding amendments to the Prairie Grain Advance Payments Act, and when that has been completed the resolution preceding the amendment to the Judges Act.

On Monday we would call the second reading of Bill C-110 to amend the Farm Credit Act, and thereafter second reading of the other two farm financing bills. On Tuesday we would call first the resolution preceding amendments to the Post Office Act and, when that has been dealt with, second reading of the bill amending the Prairie Grain Advance Payments Act.

On Wednesday we would proceed with the further stages of the farm financing bills, and continue during the remainder of the week with those bills, together with the advanced stages of the Prairie Grain Advance Payments Act and of the Judges Act, if the latter has not already been completed.

The foregoing is subject, of course, to variation, depending upon the time when individual measures are dealt with and, of course, to interruptions due to events not at the moment foreseen.

Hon. Marcel Lambert (Edmonton West): Is the leader of the house in a position now to say when the budget will be presented to this house? Will it be on the 17th?

Mr. Macdonald (Rosedale): I am not in a position to make an official statement on that point. I can assure the hon. gentleman it will not be next Thursday.

Mr. W. B. Nesbitt (Oxford): In view of the fact that the Minister of Agriculture was prevented by some of his colleagues from making his announcement on motions—

Some hon. Members: Oh, oh.

Mr. Nesbitt: —would he agree to make the statement during discussion of the resolution which will be before the house in a few minutes?

Mr. Speaker: Perhaps the question might be directed to the minister at that time.

ADMINISTRATION OF JUSTICE

REQUEST FOR INQUIRY INTO ORGANIZED AND SYNDICATED CRIME IN CANADA

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Would the minister of Justice let the house and the country know whether consideration is being given to the setting up of a commission to inquire into the massive

increase of crime by gangs and international syndicates; and also whether his department is giving any consideration, in view of the increase in the number of murders with guns and other weapons, to any change in the law respecting capital punishment?

Hon. John N. Turner (Minister of Justice): In answer to the first question may I say we are constantly reviewing measures of law enforcement, particularly in the light of the serious aspects which have become apparent in recent years. As the right hon. gentleman knows, of course, primary responsibility for the day to day administration of justice lies in provincial hands.

In answer to the second question, there has been no contemplation of reviewing the law on capital punishment at the moment.

Mr. Diefenbaker: Would the minister not agree that responsibility for full investigation into international and syndicated crime within Canada rests with the national government, while enforcement of the law is a matter for the provinces?

Mr. Turner (Ottawa-Carleton): I would go so far as to concede that. It might well be. I should like to have a meeting, after the presidential election in the United States, with the attorney general of the United States to discuss this subject.

Mr. Eldon M. Woolliams (Calgary North): Has the minister received any request from the attorney general of the province of Quebec to set up a royal commission to examine the spread of crime across the nation, particularly in the light of what my right hon. friend has said about the increase in murder?

Mr. Turner (Ottawa-Carleton): I had better take that question as notice, Mr. Speaker.

VETERANS AFFAIRS

REQUEST FOR PENSION INCREASES FOR AMPUTEES

On the orders of the day:

Mr. Jack Cullen (Sarnia): I have a question for the Minister of Veterans Affairs. While awaiting completion of the study of the Woods committee report, would the hon. gentleman consider allowing an interim increase, possibly beyond 100 per cent, to triple and quadruple amputees?

Mr. Speaker: Order. The question was asked a few days ago by the hon. member for Winnipeg North Centre.

RESEARCH

REQUEST FOR TABLING OF REPORTS RESPECTING CANCELLED PROJECTS

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question to direct to the Minister of Energy, Mines and Resources. On September 23 the Prime Minister promised to consider tabling the scientific reports relating to the cancelled projects of the Queen Elizabeth observatory and the intense neutron generator. In view of the possible revival of the observatory project may I ask when these reports will be tabled?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): No decision has yet been made in this regard. If my memory serves me correctly only the report with respect to the Queen Elizabeth telescope was referred to in that question; I do not recall any undertaking with respect to the ING project, though I may be wrong.

Mr. Aiken: May I ask, then, when the Queen Elizabeth observatory report will be made available?

Mr. Greene: No decision has yet been taken in this regard.

UNITED NATIONS

REPORTED STATEMENT BY SECRETARY GENERAL ON BOMBING OF NORTH VIET NAM

On the orders of the day:

Mr. Lorne Nystrom (Yorkton-Melville): My question was intended for the Secretary of State for External Affairs but in his absence I will direct it to his parliamentary secretary. In view of the fact that U Thant, Secretary General of the United Nations, said the United States must unconditionally cease its bombing of North Viet Nam as the first step in a peace settlement, does the Secretary of State for External Affairs agree with the Secretary General that the United States must unconditionally stop the bombing of North Viet Nam as the first step in stopping the war in Viet Nam?

Mr. Speaker: Order. The question as asked is not in order.

[*Translation*]

INQUIRY OF THE MINISTRY

On the orders of the day:

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I wish to direct my question to the honourable Secretary of State for External Affairs, but in his absence, I shall put it to his parliamentary secretary.

In view of a serious breach of the established practice and the violation of the rights of member states by the Canadian ambassador to the United Nations, according a written communication of the Irakian delegate to the United Nations, does the Canadian government intend to relieve the ambassador of his duties?

[*English*]

NATIONAL DEFENCE

RIVERS, MAN.—REPORTED CLOSING OF BASE

On the orders of the day:

Mr. Craig Stewart (Marquette): I should like to direct this question to the Minister of National Defence. Has the defence council recommended to the minister that the Canadian Forces base at Rivers be closed by April 1969 and, if so, where does the matter stand?

Mr. Speaker: I wonder whether the hon. member would consider the advisability of placing the question on the order paper.

FISHERIES

INQUIRY AS TO ENFORCEMENT OF FISHING ZONE LEGISLATION

On the orders of the day:

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct this question to the Minister of Fisheries. Is it the intention of the minister to recommend to the government that it scrap its plans for the unilateral implementation of the Territorial Sea and Fishing Zones Act as passed on July 15, 1964?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, far from scrapping Canada's 12 mile fishing zone I would have us enforce the headland to headland limits within which Canadians have exclusive fishing rights. I would be even more aggressive. I believe Canada must take a growing interest in the management of our offshore fishery resources on both our coasts. By that I mean our fishery resources extending out to the limits of the continental shelf. Better management on our continental shelf obviously includes areas where other nations have historic rights, and where we therefore do not have an exclusive right to fish.

Mr. Crouse: Mr. Speaker, my supplementary should be directed to the Secretary of State for External Affairs, but in his absence I will ask either the Acting Prime Minister or the Minister of Fisheries to deal with it. On March 12, 1968 the former secretary of state for external affairs stated that it was his intention to request another international conference—

Mr. Speaker: Order, please. The form of the hon. member's question is certainly out of order. The hon. member is aware that he must ask a direct question.

Mr. Crouse: Is it the intention of the government to ask for the convening of another international conference in order to bring about the desirable features which the Minister of Fisheries has enunciated today?

Mr. Davis: I think it will be necessary to have at least one and perhaps several international conferences in order to achieve some of the objectives I have already outlined.

[*Translation*]

INDUSTRY

QUEBEC—REQUEST THAT PORTNEUF BECOME DESIGNATED AREA

On the orders of the day:

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put my question to the Minister of Industry, Trade and Commerce.

Would he tell us if consideration of the report submitted to him by the Economic Council of Portneuf concerning the situation in my constituency will soon enable him to recommend that this area be recognized as soon as possible as a designated area?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, it would be advisable for the hon. member to learn that the Minister of Forestry and Rural Development is responsible for this federal program.

Mr. Godin: Mr. Speaker, I hope the hon. Minister of Forestry and Rural Development will take due note of the question.

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, I have taken due note of the question.

[*English*]

DRUGS

MARIJUANA—CONSIDERATION BY HOUSE COMMITTEE OF CONTROL MEASURES

On the orders of the day:

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question was originally for the Prime Minister or the Minister of National Health and Welfare. Perhaps in their absence and because of the urgency of the matter I might direct the question to the Acting Prime Minister. Because of the growing menace of the use of marijuana and the conflicting attitudes toward its control as expressed by the Prime Minister, the Minister of National Health and Welfare and the deputy minister of national health and welfare, would the Acting Prime Minister use his good offices to have this urgent matter referred to the appropriate house committee as soon as possible.

Hon. Paul Hellyer (Acting Prime Minister): I shall be glad to bring my hon. friend's question to the attention of the Prime Minister.

HOUSING

RECEIPT OF BRIEFS BY TASK FORCE

On the orders of the day:

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Transport in his capacity as the minister who reports to the house in respect of housing. Due to the interest in the activities of his housing task force, will the minister undertake to make a statement on motions tomorrow and at that time tell the house how many briefs have been received by the task force to date, how many of those have actually been heard, and what criteria are applied to determine whether a brief will be heard or merely received?

Mr. Woolliams: Is it on a political basis?

Hon. Paul Hellyer (Minister of Transport): No, it is not a political question. It is a question of there not being sufficient hours available to hear all the excellent briefs that have been prepared. As I believe I have already indicated to the house, we appreciate the tremendous interest that has been shown—

Mr. Speaker: Order. The suggestion made by the hon. member was that a statement be made on motions. I believe this was the question that was asked.

Mr. Hellyer: I could not give that undertaking at this time, Mr. Speaker.

• (3:30 p.m.)

FARM IMPROVEMENT LOANS ACT

AMENDMENTS EXTENDING PERIOD, RESPECTING INTEREST RATES, ETC.

Hon. H. A. Olson (for the Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Farm Improvement Loans Act to provide for a further three-year loan period ending June 30, 1971; to substitute for the 5 per cent rate of interest on guaranteed farm improvement loans made under the act such rate or rates of interest as may be prescribed by the Governor in Council; to extend the purposes for which guaranteed loans may be made to include the purchase of land as an addition to an existing farm enterprise; to increase from $15,000 to $25,000 the maximum amount of any loan that may be made under the act to a borrower together with any amount owing in respect of other guaranteed farm improvement loans; to authorize the Minister of Finance to designate certain trust and loan companies and insurance companies and certain credit unions, caisse populaire and other co-operative credit societies as authorized lenders under the act; to establish a limit of $1,200,000,000 as the aggregate principal amount of guaranteed loans that may be made by all authorized lenders in that period and a limit of $300,000,000 as the aggregate amount of guaranteed loans that may be made by authorized lenders other than banks during that period; to increase the present limit of liability of the Minister of Finance in respect of loans made by individual lenders to encourage lending by small-volume lenders; to provide further for certain changes in connection with the administration of the act and for other matters related or incidental thereto.

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

Mr. Nesbitt: Mr. Chairman, will the minister now take this opportunity to make the statement he was not able to make earlier? Apparently he can use this opportunity under the relaxed rules of relevancy to make that statement.

Mr. Olson: Mr. Chairman, the house agreed to relax the rules of relevancy in dealing with the three resolutions, Nos. 5, 6 and 7 which were to be taken together as they all deal with the same subject matter, namely farm credit and its various divisions. There has been no agreement sought or indeed made to relax these rules of relevancy to the point where we can now deal with other matters during our consideration of a resolution on farm credit.

Mr. Baldwin: We are willing to do so.

Mr. Nesbitt: I do not know whether Your Honour was in the chair last evening, but I made some extensive remarks about the corn marketing problem, and I related those

remarks specifically to the rules of relevancy adopted during the discussion of these resolutions. I was not called to order by Your Honour and there were no points of order raised by hon. members on the government side of the house. Surely this gives the minister latitude so he can at this point make an explanation and answer the questions I posed.

Mr. Horner: Money is no good if you cannot pay it back.

Mr. Olson: Mr. Chairman, I realized that the hon. member was completely and clearly out of order when he was making his speech. I did not raise any objection because it seemed that occasionally, although not very often, he tried to relate the problems of corn marketing to farm credit. I do not believe that because he got away with being out of order I should do something that would be equally out of order.

Mr. Horner: Make a statement.

An hon. Member: Your halo is getting tarnished.

Mr. Baldwin: Mr. Chairman, I would be delighted to speak about this question of relevancy and make a spirited defence of the right of the minister to make a statement at this time. I am quite sure he knows that any question in respect of farm financing is related to the financial position of farming, and surely that subject is relevant to the statement which he now has and is bursting with enthusiasm to make. The question of relevancy is quite apparent and we are quite prepared to admit that it is in order for him to make a statement regarding the financial position of farmers. This qualifies any statement he has in respect of the government's position regarding the corn marketing situation. Such a statement would help the farmers to assess their financial position and in this way it is relevant. I am happy to defend the minister's right in this regard.

Mr. Olson: Mr. Chairman, I regard corn marketing problems, in Ontario particularly but in other parts of the country as well, as being of great magnitude. I cannot accept the contention that the subject matter of the resolution before us is not also of great importance to the farmers of Canada. They have been waiting for quite some time for amendments to these acts or, if you like, the reinstatement of them. We think it is important that we get on with these resolutions and the bills to follow as quickly as possible.

[Mr. Nesbitt.]

There are many other agricultural problems. I am the first to admit that, but I suggest that if we relax the rules in order that we may have a wide open discussion about all these problems when we are attempting to get these amendments through we would in effect frustrate the objects of the government in this regard.

Mr. Horner: Mr. Chairman, the minister has related his remarks to a statement on government corn marketing policy. Surely he should assure the corn producers that they will have some degree of security in the production of corn. He should make his statement now. He has already given it to the press. This resolution relates to the Farm Improvement Loans Act. It is a well known fact that the banks will not lend money to farmers if the industry is not financially sound so that they can repay the loans. It is the minister's obligation to this country and to members of this house to give some assurance to the corn producers that government policy will be such that farmers will be able to repay their loans. The minister has already given this statement to the press. Is he afraid to make the same statement now to the elected representatives of these people? That is the only conclusion I can come to because he has the consent of the house to do so during the consideration of this resolution.

Mr. Olson: I am not afraid to make the statement, and I offered to table it. This statement was made a few moments before I came into the house and all of the information is now available. Hon. members in the opposition know that today is the last day for debate at the resolution stage. If there is unanimous consent that we relax the rules in order that we may discuss many other things than farm credit I am willing to do so. Let me remind members of the committee that there probably will not be sufficient time between now and the end of this day for all members who wish to make statements about farm credit to do so. If we are going to enlarge the subject of debate some hon. members who wish to speak on this matter will be prevented from doing so. If there is unanimous consent to relax the rules of relevancy I will read the statement.

Mr. Horner: You must be afraid.

Mr. Olson: I am not a bit afraid.

[*Translation*]

The Deputy Chairman: Order. Although the matter discussed a while ago by the committee is very important, it is difficult for the Chair to relate in some way the resolution now under consideration and the difficulties encountered by corn producers in Ontario.

Furthermore, in view of the extensive statement made by the Minister of Agriculture (Mr. Olson) on introduction of the three resolutions to amend the Farm Credit Act, I believe the minister can now dispense with further comments and the committee members should limit their observations to the resolution now under consideration.

• (3:40 p.m.)

[*English*]

Mr. Korchinski: Mr. Chairman, on this occasion I would of course like to congratulate the minister for having reached the high level of a ministerial position after making the transfer from this side of the house to the government side. In years past I sat very close to the minister when he was on this side of the house and recall that on many occasions he was with us, so to speak; he was on our side with regard to many issues. On the issue of finances he was definitely against high interest rates.

However, apparently the Liberal party has asked him to really earn his stripes, because the first bills that he as a minister will be introducing deal with an increase in interest rates. We all know that the Liberal party has become the party of high interest rates. We all know that the Liberal party has become the party of big business. Apparently the minister, having gone over to the other side of the house, has not, as we had hoped, taken some of his principles with him. We hoped that he might improve the Liberal party, but he has apparently left his principles behind and has done everything the party has asked him to do.

When the Bank Act was last reviewed in the House of Commons these words were used. I quote from *Hansard* of March 17, 1967:

> It seems to me that all that is going to happen or the practical application will be that the banks will be charging 7¼ per cent for all the loans they have out now at the statutory limit of 6 per cent. One effect of this move is simply going to be to raise the cost of living, the cost of operating at the manufacturing level and the wholesalers' level, so the ultimate result will be an increase in the price structure.

The speaker continued with these words:

> Even if that were true, Mr. Chairman, I think the members of parliament have a responsibility to the Canadian people. They need to look at the whole economy to see what the net result of the change is going to be. No matter how I look at it, Mr. Chairman, it seems to me that the end result will simply amount to an increase of 1¼ per cent on all the loans and financing of the chartered banks. As I said, if you include this increase in the cost of manufacturing operations and throughout the whole distributive system, then I suggest there will be a significant increase in the cost of living as a result. I think this is one of our primary responsibilities and something we need to be concerned about.

The author of those words is none other than the present Minister of Agriculture. He went on to say in the same speech:

> You just have to try to do what the hon. member is trying to do now, and that is place a new definition upon your words. Having said something the hon. member is trying to explain it away hoping that we will forget the words he used. But in this chamber what we say is written down, and what was written down was what I quoted.

I often wonder whether the minister sleeps well at night, having taken on the big responsibility of his portfolio. He represents many farmers and must be aware that they are in dire straits and are faced with great difficulties. I think he really wanted to do something for these farmers, but what he is now doing is not helping them. The minister is really trying to improve the position of the banks.

How did we get ourselves into the present position? In this connection I should like to quote from the annual report of the Farm Credit Corporation. On page 7 of that report the following words appear:

> It has become more difficult during the past decade to generate capital from farm income as operating expenses have increased more rapidly than farm product prices.

This has been the root cause of our difficulty. Apparently the minister thinks that this measure will provide a solution. I remember that on the occasion of the Bank Act being reviewed in the house I asked the then minister of finance the following question, as reported in *Hansard* of March 21, 1967:

> Should we find ourselves in the position that for two months after the coming into force of this bill there are fluctuations in the interest rate and the banks decide they must first see how the rates level out and as a result restrict loans under the Farm Improvement Loans Act, what safeguards are available to farmers? I realize that the point I have raised is only a possibility, but what guarantees are there that farmers will be able to obtain loans under the Farm Improvement Loans Act?

The reply of the then minister of finance was:

> This is a highly hypothetical question and perhaps I should not even attempt to answer. There are strict provisions in the law against any such

conspiracy as the hon. gentleman has described. Second, I cannot believe that the banks of this country will stop providing the services they have been providing for farmers under the Farm Improvement Loans Act when greater freedom is given under this act. It is my belief, and it can only be a belief, that it will be in the interest of the banks to continue serving farmers under the Farm Improvement Loans Act as they have in the past.

Those were the words of the minister who was trying to tell us that he was really working in the interest of all industry. However, as it turned out he was only working in the interest of the banks on that occasion. I warned the minister at that time that we would be in this difficult position. The minister now stands in his place and admits that we have got ourselves into a fix because the government did not take that problem into consideration.

Three bills will be introduced which will deal primarily with capitalization and the availability of credit to farmers. These bills are supposed to improve the farmers' position. However, when one looks at the situation that has existed in the last few years one realizes that more and more loans have been granted to farmers. It appears to me, therefore, that these bills are a deliberate attempt by the government to drive the small farmer off the land. This is a deliberate policy of the government. When one reads the bills sent to our offices, one realizes that this is in fact the case.

The annual report of the Farm Credit Corporation shows that in the past ten years $915.75 million has been lent to farmers. In other words, in order that the farming industry may survive it has had to borrow $915.75 million. In addition, as of December 31, 1967, farm improvement loans totalled about $428 million. This means that in the last ten years the farming industry has found it necessary to borrow $1,343 million in order to keep going. But at the same time we have lost some 10,000 farmers off the land each year. I relate these two things.

It has always been in the interest of the country to provide economic farm units. However, the effect of the proposed legislation will be to speed up the removal of farmers from the land. Apparently this is the only solution this government has. One can reach no other conclusion after looking at the bill and realizing that as much as $100,000 will be made available to farming corporations. How can anyone who obtains a loan of $40,000 compete with another person who obtains $100,000? Surely only one conclusion can be reached. How can a farmer who does not necessarily wish to borrow any more stay in the business? How can he survive against this type of competition? How can the industry stay in the hands of the farmers rather than large corporations? How can one keep the farmers on the land? It will not be possible. As the minister himself said, what these bills will do is to increase the cost of production. Who will be the one who will be hurt? It will be the small farmer who has been struggling for years to set up a unit which he thought was economic, but faced with this type of competition from large farms and corporations he will not be able to survive.

[Mr. Korchinsky.]

• (3:50 p.m.)

When the Farm Credit Act was first introduced the intention was to help the small farmer. However, under this legislation the only thing that can happen is that the small farmer will be driven off the land and in this way his troubles will be solved. We will in fact be telling him: Forget your worries. That is all that the minister is doing.

When the minister was on this side of the house I thought he had the interest of the farmers at heart. When I first heard he had been appointed Minister of Agriculture I said to myself, there is a man who understands the position of the farmers. I am sure he still understands the position of the farmers, but he is certainly not helping them. In fact, he is doing directly the opposite. He is forcing the farmers off the land and he will increase the cost of production. He must have considered the bill at length and he must know that its effect will be to enable the corporations to buy up land. We have had vertical integration for years and farm unions have made representations to former governments. People who have had any kind of interest in farming communities have always been concerned about the fact that vertical integration is driving the small farmer off the land.

What will these bills achieve? They will increase the rate of vertical integration to the point that anyone who has any love for the land, the ability to work the land and has spent years trying to stay on the farm will realize that those days have gone by. Where will it all end? We will see a lot of people mortgaged to the hilt. Right now, 25 per cent of all farmers have mortgaged their land. At this rate there will be nothing left but mortgaged land. It will all be either in the hands of the government or in the hands of the corporations. You can take your pick. There will either be corporations owning all the

land, which is not advisable, or the government will hold all the land, which is communism. No one else will be able to afford it. It is called either communism or socialism, the term used in communist countries, but neither one is acceptable to farmers. It is unacceptable because agriculture is the only industry left in which an individual can still fully participate together with his family. This will not be possible once this bill is put into effect.

It is quite evident that the only solution this government has is to enlarge the amount of credit available. What will happen then? I warned the previous minister when he introduced the bill increasing the amount available for loans that the one thing which would definitely happen would be the inflation of the price of farm land because the corporation which has $100,000 will outbid the small farmer with $40,000. How will the government get around that problem? Surely this will be the result when the amount available for loans is increased.

This is not what the farmers are interested in. Wise use of credit is great, but not when the government is deliberately trying to get the small farmer off the land because they seem to have no other solution to the farm problem. They are making it possible for the big corporations to outbid the small farmers. This causes social problems, the rush into cities, urban problems, a housing shortage and the reckless abandonment of farms. In the last five years we have disturbed 75,000 farmers. Fifty thousand have moved off the land because they have not been able to keep up, and the other 25,000 have mortgaged their land.

I will now move on to another subject, Mr. Chairman. We are broadening the purposes for which loans may be made, and repeated representations have been made by various organizations that this be done. This may be advisable in areas where facilities such as are provided by trust companies, caisses populaires, credit unions and so on are available, but since when have these institutions granted money at a lower rate than chartered banks? As far as I know none of them does. The banks will look at the rates offered by credit unions and trust companies and they will say: If our competitors can charge this rate, why can't we? Surely they will be entitled to come to this conclusion. The end result will be that interest rates will go up as a result of this competition. It will have the opposite effect from what we really want.

The result will be that land will be owned by the large corporations and interest rates will go up to a rate which some order in council may or may not set. We will end up in the same position as that in which we were in the thirties. I remember that people in my parents' generation used to say; "You will have to be very careful and stay out of debt". That was their attitude. Perhaps they had a reason for adopting such an attitude. Now the young generation think they have all the answers and they put democracy to the test. They must have a lot of money and everything must be available. That is why we must have all this credit. They say, "we do not care as long as we have credit. We will worry about paying for it later". The interest rates will then be higher than the principal. Young people nowadays do not care whether they own the land as long as they have the use of it. Is this the type of society we want? I do not think I want to encourage such thinking. I wish to register my protest right now. This is not the direction which I would like to see the farming industry take.

• (4:00 p.m.)

It has been said that interest rates will have to be increased. When we look at the annual reports of the banking institutions, we should be concerned that the banks are not lending more money at this low rate of interest. My opinion is that loans could be granted to farmers at the same rate as loans are granted to hospitals and municipalities. The banks may say those loans are secured by taxes, but there is only one tenth of one per cent involved in connection with farm improvement loans and that amount is guaranteed by the government. There is no risk involved. The more money that is available to farm machinery companies, the higher they raise their prices. Do not think for one moment that when that amount of money is available to the machinery companies they are not going to take advantage of it. They say to the farmer, if you do not buy machinery we will sell it to the big corporations. In order to stay in business, the farmer has to be able to pay the same price. The machinery companies even stated that they would charge all the market would bear. This statement was made to the committee investigating the farm machinery business by the president of Massey-Ferguson.

I want to return to the question of the profits of banking institutions. I have already mentioned that the farm industry has borrowed $1,443 million and at the same time the

industry is losing 10,000 farmers every year. In so far as the profits of the banks are concerned, I note that in 1966 the Bank of Montreal had a profit of $19,905,000 and in 1967, $20,720,000; Nova Scotia, $11,700,000 in 1966 and $12,909,000 in 1967; Toronto-Dominion, $10,892,000 in 1966 and $12,284,000 in 1967; Commerce, $24,473,000 in 1966 and $26,575,000 in 1967; Royal, $27,432,000 in 1966 and $30,278,000 in 1967.

Who needs the help? Are we going to stand here and say that the banks are in real trouble when they are showing profits of this type? Are we going to say that they cannot provide the type of service needed at a lower rate? Surely they could if they so desired. Someone has said that they could but they will not do so. If they will not do so, then the government has a responsibility to provide the long term credit that is needed by setting up a corporation which could do the job.

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

Some hon. Members: Carry on.

The Deputy Chairman: Does the committee agree?

Some hon. Members: Agreed.

Mr. Korchinski: I thank the committee and I shall be brief. I want to quote from a speech made by the leader of the Créditiste party. On this particular occasion, February 23, 1968, he had a report which he obtained from the other place. This report resulted from a question asked by Senator Pouliot, and it indicates the loans made by Canada to certain other countries. I am going to name the countries and the rate of interest on the loans. To Korea we lent $1 million for 37 years at 3 per cent; Pakistan, $44 million at no interest for a period of 50 years plus 10 years of grace, or 60 years; to Thailand, $1 million at no interest for a period of 50 years; to the Caribbean Islands, $1.8 million at no interest for a period of 60 years; to Jamaica, $8.25 million at an average of three quarters of one per cent; to the West Indies, $250,000 without interest for 60 years; to the Argentine, $756,000 at three quarters of one per cent for 60 years; to the Central American Bank for economic integration, $3,780,000 at three-quarters of one per cent for 60 years; to Chili, $8,460,000 at three quarters of one per cent for 60 years for part of the loan and 3 per cent interest for 37 years for the balance of the loan.

[Mr. Korchinsky.]

I could go on, and perhaps I should cite two or three more examples. We lent the Republic of El Salvadore the sum of $3,240,000 at three quarters of one per cent for 39 years; to Mexico, $540,000 at three quarters of one per cent for 60 years; to African members of the commonwealth, $3,500,000 at 6 per cent for 30 years and $1,600,000 without interest for 60 years.

All I say is that if we can be charitable to other countries surely it is in our own interest to provide money to an industry that provides food. Certainly we do not live to eat, but we do eat to live. If we want to provide food as cheaply as possible for Canadians, and if we want to provide food as cheaply as possible for the rest of the world and be charitable in that way, then surely it is only sensible to provide the agricultural industry with loans at a low rate of interest.

Mr. Horner: May I just ask a short question of the Minister of Agriculture? Will he assure the house that tomorrow when the corn growers are here he will meet with them and give them a fair hearing? Will he discuss with them the statement he made to the press?

Mr. Olson: Mr. Chairman, much more than that, I can say that for the past week or more officials in my office have been as helpful as they could possibly be in making arrangements in Ottawa for the tractors of these farmers and for all other facilities that will be needed to have a meeting here on parliament hill. We also have a room at the Department of Agriculture that will hold 200 or 300 people and we could meet there, if weather does not permit a meeting outdoors.

Mr. Hees: Are you going to be there?

Mr. Olson: Certainly I am going to meet with them. We are doing everything we can to be as helpful as we can.

Mr. Mazankowski: Could I ask another question of the minister?

The Deputy Chairman: Is it on the same subject?

Mr. Mazankowski: Yes.

The Deputy Chairman: I have recognized the hon. member for Timiskaming.

Mr. Peters: Mr. Chairman, I have been very surprised at some of the things that have taken place this afternoon. While I do not believe in reincarnation, certainly the Minister of Agriculture has been showing

some of the shades of Jimmy Gardiner and some of the characteristics of C. D. Howe in his disregard for parliament. During the discussion of this resolution concerning farm credit the minister has stated that the farmers need this piece of legislation in a hurry. However, he knows full well that the Farm Credit Act ran out in June of this year. He knows, too, that there has been very little money lent for a period of eight or nine years because of the reluctance on the part of the banks. The minister says we should have passed this legislation in February. This is probably the kind of legislation the house would have passed in February, and it is damn well the legislation that this house expected to pass in April when parliament sat for one day. I do not believe, therefore, that the minister should look at the opposition with a jaundiced eye but rather that we should perhaps look at the minister with a jaundiced eye.

I am surprised at the minister because he knows the rules as well as anyone in this house. There are three or four high priests of the rules, and he is one of them. If anyone knows how the rules should operate, he should. He is one of the self-appointed high priests. I believe that the matter of corn prices warranted an examination by the minister today. In my opinion this debate is not remote from the price of corn in Essex county, but it certainly is remote from the price of corn in Timiskaming because none is grown there. Climatically Timiskaming is not in the right area. However, in Timiskaming there is another problem which makes it absolutely necessary that farmers receive credit at a reasonable rate of interest. That rate is probably in keeping with the rate suggested by the hon. member for Témiscamingue.

• (4:10 p.m.)

The hon. member for Mackenzie indicated how generous we have been with interest rates charged to other countries. Apparently we have lent money at a very low rate of interest. There are shades of C. D. Howe, and certainly some conservatism with a small "c", in the legislation before us now, which does not seek to establish an interest rate for a particular industry but follows current levels. This means that the business community is controlling most of the expenditures of the government.

The Postmaster General made a statement this afternoon in which he said that his department must pay its own way. There are those who believe that even from the days of Wells Fargo it has never been necessary for the post office to pay its own way in that it has served to unite the people of the nation by supplying them with certain facilities which were not available to the individual. The same may be said of the Farm Credit Corporation.

We should not be interested in the interest rates charged by banks. If a farmer has enough collateral he can borrow money from a bank at the current interest rate, whatever it may be. It is not necessarily 1 per cent higher than that charged on government loans or student loans.

I suggest that in view of what happened in Regina last night the image of this government will become quickly tarnished. I am not one to participate very much in the question period, but I was surprised that nobody asked about the revolution of students in Peru and their participation in the military coup there. I am also surprised that nobody asked about what may become a serious problem for the Olympic games because of the student riots in Mexico City. The government must recognize that we need money to develop our natural resources, whether these resources be in the form of student education or agriculture.

I suggest, that we should not try to make money on loans to farmers. As in other pieces of legislation that deal with farmers, we should try to establish some advantage that will accrue, not necessarily to the farmers individually but to the industry generally.

We have made some serious mistakes. I am not sure whether it was the government's mistake that the stabilization board did not anticipate the present corn problem, but we certainly did not anticipate any difficulty when we developed the national dairy commission and established industrial milk prices. However, through our action we changed the small one-can farmers into producers of industrial milk who no longer separated cream on the farm. These farmers had to borrow large sums of money from the Farm Credit Corporation to buy a bulk tank, which in Timiskaming costs between $12,000 and $14,000.

As a result of this policy which was formulated in Ottawa, our farm separated cream industry, which was the backbone of small farming operations in Canada, was transformed into a bulk producer of industrial milk. We have also changed the operations of almost 90 per cent of the farmers in western Canada who carry on mixed farming. We

have asked them to borrow money under the Farm Improvement Loans Act, under other farm legislation and even under ARDA in order to establish themselves as economic units. I suggest that when we become involved in matters such as this we should be guided by some principle. This principle must surely be the provision of sufficient credit to develop our industries and in turn our national economy. Thus the role of credit is very important.

Personally, I do not give a damn if we lose $5 million or even $10 million through farm improvement loans provided they are a subsidy to industrial development. I believe many more people would be more receptive to subsidizing the development of a stable and progressive industry than to subsidizing other operations which turn out to be calamities. I do not know how much the cheese subsidy amounts to or the subsidy on powdered milk, but there is a surplus in this area of 200 million or 300 million pounds.

The farmers in Ontario have been forced by the government into bulk tank operations. The government told the farmers that they would not buy milk from them unless it was in bulk tanks. The Ontario milk marketing board decided that milk should be in bulk tanks. Any milk in cans is probably not under the operations of the milk marketing board of Ontario. This kind of control having been exercised, these farmers have had to borrow in order to expand their operations.

We are the people who indicated to the Ontario farmers that no longer was a family farm to consist of 160 acres. I suppose in western Canada a family farm unit would be a full section. We are the people who have declared that a multiplicity of units must be brought together to make one economic farm unit.

We have also suggested that farmers should buy farm machinery, and so farms are becoming automated in the same way as other industries. This costs money. As a result farmers have to borrow money, and in my opinion they should be able to borrow it at a rate they can afford. I suggest we are misleading our farmers when, on the one hand, we advise them to buy a new tractor or other pieces of farm machinery and, on the other hand, allow the banks and lending institutions of this country to raise their interest rates to a level that puts loans to farmers out of their reach.

The minister is in the agricultural industry himself; I understand he is a rancher. This is one segment of the industry that has had a certain stability during the last few years, though I believe those engaged in this occupation say it is not as stable as it should be. Nevertheless beef prices in Canada have become fairly stable over the last eight or ten years, and the result has been a fairly stable industry. However, one sector of the agricultural industry is in serious difficulty, our corn producers.

• (4:20 p.m.)

The other day a very good friend of my father's came to my office. He and my father for some time had shared responsibilities on the old Ontario milk marketing board. This chap was in the dairy business a few years ago but over the years he became discouraged with the dairy business and moved into the production of corn. In this project he was given assistance in the form of a large loan made through a government agency. Now he finds that it costs him $1.20 to produce a bushel of corn. At noon today I noted that corn was listed on the market at something less than $1 per bushel.

I know the minister is not a financier but I ask him, what hope is there for the survival of agricultural producers when their produce sells for less than its cost of production? Even if my figures should be out by ten cents either way, the farmer still stands to lose substantially. Yet in spite of these conditions the federal Department of Agriculture is making the stupid recommendation to allow the chartered banks to set interest rates on farm improvement loans.

Those in agriculture in this country are not stupid, and that is why they are coming to Ottawa. The minister is a farmer and no doubt he has a tractor. He knows tractors are slow; they are difficult to handle on the highway and are boring to drive long distances. The minister must know that tractors are en route to Ottawa. Police are escorting them at a set speed of 15 miles per hour. The minister will agree with me that if he were a farmer he would only mount his tractor and drive it to Calgary or Edmonton if he had a very compelling reason for so doing.

The minister says that this resolution is not about corn, and I agree. This resolution is about money, and if it passes the farmers will have to pay more for the money they borrow. I submit that parliament should not permit an increase in the cost of money to the farmer while at the same time permitting a decrease in the price of farm products.

Always, even in my C.C.F. days, I have supported the concept of parity prices for farm products. A parity price would mean that the farmer would have his production cost and would be allowed an additional wage for the work he did. When he sold his produce on the market, he would be entitled to a return equal to his outlay. Sometimes he might even be lucky enough to make a small profit on his investment. But the important consideration is the parity price.

What is the present situation? The farmer is faced with rising production costs and falling market prices. Yet the government is bringing in legislation that will increase the price of money that farmers borrow. I submit the government should look again at the concept of parity prices.

If the government is unwilling to consider parity prices I submit it ought to consider subsidizing farm production. I do not apologize for mentioning this concept, since without a subsidy our farmers will suffer losses. They cannot enter the open market and borrow money at 5 per cent. Consequently they will suffer losses, and that is where a government subsidy comes in. I believe the government could, with great advantage, make subsidies to agriculture available in the field of farm improvement loans.

No farmer with a team of horses, 160 acres, a walking plow, seed drill and all his other equipment can possibly make a living today. He might have done so five or six years ago but he cannot do so now. Often I attend the markets in my area and very often you will see from 400 to 500 day old to week old calves on the market. This indicates that these calves are not being raised on the farm and that farmers in the area are engaging in the production of milk, either industrial or fluid. All those in agriculture need short term credit and I think the greatest service this government can do agriculture is to stabilize at reasonable rates the cost of such credit.

No doubt hon. members will remember the millionaire farmer who for a while ran the Department of Agriculture. We heard complaints to the effect that the Liberal government was in such terrible political straits that it was necessary to appoint an agricultural minister who came from the east. Personally I thought the appointment was a good one. The government ought to continue appointing such men to such posts. I remember the days of Jimmy Gardiner and the 40 years in the wilderness for eastern farmers. I remember the days of the former minister from the west who is now a senator. I also remember the days of farm syndicates when some could afford pieces of machinery worth $75,000 and when the federal government enacted legislation for 364-odd people in the very rich class. My point is that those people cannot be considered the backbone of agriculture in Canada. Those who today form the backbone of agriculture need money to operate their farms, to expand and to make changes.

We in parliament over the past five or six years have devised tools to help the agricultural community. In my area I have found a form of assistance other than farm improvement loans in current use. The ARDA people are buying land. The ARDA people will buy the farm across the road and rent it to a youthful farmer.

The Deputy Chairman: Order, please. I must inform the hon. member that his time has expired.

Some hon. Members: Continue.

The Deputy Chairman: Does the committee agree?

Some hon. Members: Agreed.

Mr. Peters: I thank the committee and I shall not abuse the privilege it has extended. I was saying that ARDA buys land. Under the ARDA legislation farms much larger than is realized are being assembled and then rented. As I said, the ARDA people buy the farm across the road and the one down the road and they may rent them to a young farmer under certain conditions. Over a period of three years he will be able to collect a large block of land in respect of which only a nominal payment is required. At the end of the period, three years or five years, he will be given the option of releasing it or of making payments to ARDA.

• (4:30 p.m.)

My point is that we have a responsibility in the field of credit to ourselves, to the agricultural sector and to the whole of Canada, and that if we are not completely opposed to subsidies we should admit that one of the most equitable ways of subsidizing agriculture in this country is through the provision of low-cost loans to farmers. I would therefore appeal to the minister to reconsider these resolutions. His party did not go to the nation as supporters of a completely free enterprise economy. They put forward the idea of a just society. As I see it, among other things this means refusing to burden agriculture with

interest rates which will make the banks rich while causing hardship to the agricultural workers of Canada.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Chairman, we are discussing the farm problem which is extremely serious, because farming is a basic industry, not only in Quebec but also in the whole country.

I have listened with a great deal of attention to the remarks of the hon. members from other parts of our country, and I have come to the conclusion that the farm problem exists all across Canada. I cannot understand that, in the case of an industry as important as agriculture, ways cannot be found to solve a problem which is of concern not only to the farmers but also to the whole people.

The farmer's returns are inadequate as compared to the number of hours he has to devote to his work during the production cycle and as compared to his invested capital. That is why he often has to resort to borrowing in an effort to improve his production capacity. The government probably thought that by making his credit facilities easier at reasonable interest rates, he would be able to improve his position and to stabilize his enterprise.

Various problems prevent the farmer from developing his operation, putting it on an economic basic in all respects and getting from it a stable income. The main problem is that of prices because the farmer never knows what to expect in that sector.

The farmer never knows beforehand, except for a few products, what price he will get when he puts his production on the market. That is what happened last year to hog producers, for instance, and to egg producers who had to put their products on the market at a price lower than the production cost. That was not the way to increase their income, allow them to become financially independent and survive in a normal way.

What would happen to a manufacturer, for instance, if at the other end of the production line in his plant the price offered for his product was lower than his production cost? He certainly could not stay in business very long, he would go bankrupt. That is the situation in which agriculture finds itself in our country. It is likely that no one wants to call it bankruptcy but everyone is complaining that agriculture is in a very precarious situation.

[Mr. Peters.]

Among the obstacles which also prevent the farmer from getting a foothold, from surviving in a normal and advantageous way, there is the weather over which no one has any control.

The farmer is faced with those difficulties. He sometimes suffers heavy losses due to excessive rain, drought or insects which destroy the seeds and prevent him from getting something for his work. I know that neither the government nor the farmer can do something in that field. However, it seems to me that such drawbacks are quite enough, without us having to bear on top of that the ups and downs of an unstable market as far as prices are concerned.

I wonder whether a generous increase in the farmers' borrowing opportunities would settle their problem or whether it would be to the sole advantage of lenders who expect a higher rate of interest. Would this rise in the rate of interest be profitable to the farmer, or rather to financing institutions making the loans?

Another factor which prevents the farmer from bearing the expenses which a normal development of his business entails, is the cost of farming machinery. The problem by far exceeds the limits of a given milieu. Farm equipment sells at a very high price and the manufacturers do not always take into account the eastern or the western agriculture, in their manufacturing.

Some spare parts are sold at an excessively high price, absorbing a large part of the farmers' income because, very often the spare parts cannot be readily adapted to the various kinds of equipment bought in Canada.

• (4:40 p.m.)

In order to lower the production cost of farm machinery, it might be a good idea to encourage the setting up of strong Canadian industries in Canada that could manufacture equipment suitable to our needs, as well as spare parts which could be used as equipment of different trademarks without too much inconvenience.

Mr. Chairman, I may be drifting away from the subject but I shall come back to it. I am not too keen about this measure, because it does not really meet the needs of agriculture in eastern Canada. The agricultural economy of Quebec has always been centered on the dairy industry. An increase in the size of farms and of dairy herds is offered as a solution. I am convinced of one thing: in the province of Quebec the dairy industry has

been, remains and will remain for a long time, the basic industry in our agriculture.

However, the increasing number of milk cows, each year, in Quebec and the decreasing number in Ontario shows that the dairy livestock is also decreasing in the other provinces. This gives Quebec the first place in Canada as far as the dairy industry is concerned.

We have 38 per cent of the whole dairy livestock, and milk production of Quebec represents 35 per cent of our Canadian production.

In 1966, Quebec farms produced 6,500 million pounds of milk bringing $224 million to the producers. That is not enough to remedy the situation, and it would be necessary to increase prices in order to raise the revenue of dairy producers.

Price support should be increased on a continuing basis, always taking into account prices, costs and production.

Consumers, hearing a farmer talk about the increase in price support, will perhaps think, and quite rightly, that if the government complies with our request, consumer prices may go up.

However, the Créditistes submitted during the election campaign a proposal which would allow the government to satisfy both the producers and the consumers by using the Bank of Canada to advance the necessary credit to the Canadian Dairy Commission. This commission would then grant the necessary subsidies to the dairy producers, which would allow them to get a reasonable price for their products and have a decent income which would make it possible for them to expand their operations as much as reasonably possible.

Mr. Chairman, I am in favour of the enlargement of farms. We have been practising it in our area for a certain number of years. We are also in favour of increased herds of milch-cows, in order to have profitable family businesses which can survive. Then, our sons will be truly interested in the survival of our agriculture for the advantage of the Canadian community and the French-Canadian community.

But by experience, Mr. Chairman, I know that a given moment, one cannot go over a certain limit, because if the size of the farm is unduly extended, we will have to resort to outside labour and this would be quite costly. It would contribute also to increasing the cost of production and, finally, it would reduce the net income, so that the situation would not be improved.

There is also some uncertainty with regard to the policies of the federal and the provincial governments. The federal government has a word to say in the field of agriculture, through its legislation on the international market, etc., and the provinces also have some responsibilities. But it often happens that when a farmer goes to the government, either federal or provincial, to ask for help, he gets the following answer: "Go to the provincial government, this does not concern us," or "Go to the federal government, this does not concern us." And so they pass the buck, while the farmer waits, suffers and, in the meantime, the situation grows worse. That is why the agricultural situation will continue to deteriorate, unless an agreement is reached and the responsibilities of the federal and the provincial governments in the field of agriculture are clearly defined.

Incidentally, allow me to make a suggestion: there is a lot of talk about a new constitution, etc.; but where agriculture is concerned, when a new constitution is drafted, I should like the situation to be taken into account, and an attempt made to correct it, by defining exactly what responsibilities belong to the federal government and to the provinces in the field of agriculture, so that one might know where to look in our society.

Mr. Chairman, before bringing my remarks to a close, allow me to draw the attention of the house to the resolution before us. There is a huge question mark in my mind. On page 14 of the annual report of the Farm Credit Corporation, one can read the following:

FINANCING

Farm Credit Act

To finance its lending program during 1967-68, the Corporation borrowed $194.5 million from the Minister of Finance at an average interest rate of 6.16 per cent—

Further on, the result of the difference between the interest rate paid by borrowers and that paid to those who financed the government is given.

Approximately 80 per cent of the funds lent by the Corporation bear the statutory interest rate of 5 per cent. The Corporation borrows funds from the Minister of Finance at current interest rates which are much higher than the average rate the Corporation may charge, thus creating an interest deficit which lasts for the duration of the loan. A continuation of the excess of interest cost rates over interest revenue rates will result in cumulative and rapidly accelerated annual operating losses.

Mr. Chairman, I should like the minister to tell us, while this question is under study,

whether there is really a relation between the report of the Farm Credit Corporation and the bill which would allow the cabinet to increase the interest rates on loans granted to farmers.

Mr. Chairman, in a general economic development program we have to take agriculture into account. Agricultural policy must be a part of a general economic policy. The conventional distinction between agriculture and industry tends to conceal or at least to deny the fact that agriculture is itself an industry which, in addition, generates more industrial activity, wealth and jobs. This is why I said at the onset that agricultural industry is an essential industry which affects not only the farmer but the population as a whole.

• (4:50 p.m.)

We must direct and organize farming in such a way as to integrate it efficiently in the mechanism of modern economy, and more particularly the food industry. Mr. Chairman, I cannot understand why there is so little concern about an industry which is so important for all the people of the world, since we need from the cradle to the grave the fruits of labour of that industry in order to exist. We need food every day of our lives, and it is in the farming industry that we find it.

How is it, Mr. Chairman, that the land that feeds mankind is not able to provide a living for a man? This land that feeds all human beings in the world is not able to give a decent livelihood to the one that works it for the benefit of the whole population.

We must definitely rid agriculture of its traditional characteristic of being necessarily and indefinitely dependent on the state.

Mr. Chairman, it is getting embarrassing for the farmer, year after year, to keep asking the authorities for a recognition of his rights so that he can survive and develop. We should at least ensure his survival and development permanently.

Mr. Chairman, if one day the situation of agriculture is such that the best farmers do not earn an honest reward, then all will be lost.

The economic nature of modern agriculture compels us to assure for the farmer, in all fairness, the same standard of living, the same economic and social benefits enjoyed by the other citizens engaged in economic activities requiring as much knowledge, capital and work. That must be the social and economic status of the real professional farmer.

[Mr. Lambert (Bellechasse).]

Mr. Chairman, the farmer is not asking the state and society for a special status or special advantages. In working towards this aim, we should avoid measures and methods of organization which would tend to make the farmer a ward of the state and force us to witness, without being able to do anything about it, the progressive disappearance of initiative, of the right of the farmer to expand and improve his operations according to his means, his skills, his will to succeed, his sense of responsibility and his own efforts. We could lose a great deal.

In short, we should, I agree, give the farmer greater credit facilities but, for heaven's sake, let us not raise the interest rate and let us guarantee the farmer better and more stable prices, so that he may repay his loans without any difficulty.

Let us suppose that a 40 year old farmer borrows $25,000 to improve his farm by purchasing more land.

The Deputy Chairman: Order. I am sorry to inform the hon. member that the time allotted to him by the rules has expired.

Some hon. Members: Continue.

The Deputy Chairman: Does the committee agree to allow the hon. member to continue his remarks?

Some hon. Members: Agreed.

Mr. Lambert (Bellechasse): Mr. Chairman, I would like to thank you and my colleagues for this generosity. I will not abuse it, you may be sure.

As I was just saying, let us not raise the interest rate. Let us guarantee the farmer better and more stable prices, so that he will be able to repay his loans without too much difficulty. I was saying that if a 40 year old farmer borrows $25,000 in 1968 in order to make his farm economic, he has no hope of increasing his income in the near future unless he can get better prices for his products.

Would we have really succeeded in helping him, or would we have not in actual fact managed to bind him tighter, as well as his son who will have to take over tomorrow?

Mr. Chairman, I am prepared more than any other hon. member to collaborate fully with all my colleagues in this house and in the government, in order to try and make things better, through suggestions, work and studies of all kind. The survival of that business, that vital industry will therefore be ensured and our families will be able to keep

at it. This business, which is described as a family business, will make it possible for those engaged in its operation, to feel happy and proud to be Canadians.

Thus, if ever events threatened to snatch it away from us, we shall find people attached to the land, ready to fight as true patriots, in order to preserve something which really belongs to us and which is advantageous to the whole nation.

[*English*]

Mr. Hees: Mr. Chairman, I was rather disturbed to hear the minister indicate earlier that he might not be available tomorrow to meet the corn producers. They have spent a great deal of time and energy to come to Ottawa on their tractors to bring their serious problems to his personal attention. I hope the minister will have the good sense to make himself available all day tomorrow and meet the corn producers when they arrive in the morning. It is my belief that he will require all day to explain to them the statement he made earlier. He said in effect that the government is unwilling to do anything to help them.

Mr. Olson: That is not right.

Mr. Hees: If the minister believes that anywhere in his statement he has indicated he intends to help the corn producers I would be interested to hear him outline the nature of the help after I have concluded my remarks.

The government has finally, six months too late, brought in the necessary amendments to the Farm Improvement Loans Act. The farmers of Canada have been deprived for months of the necessary credit they should have had through a continuous operation of the act. As a result they have been faced with two alternatives. They either had to put off necessary improvements to their farm operations because this credit was not available to them or they made these necessary improvements with money borrowed at exorbitant rates.

The minister said the other day in the house, as recorded at page 601 of *Hansard* that he was not able to bring in these amendments until this time. Let me read what he said:

> This guarantee has been renewed by parliament from time to time in respect of loans made during three year periods. The most recent period was added in September, 1964, to run from July 1, 1965 to June 30, 1968. Hon. members may recall that it did not prove possible to deal with this measure before the three year guarantee period expired on June 30, 1968. In view of the subsequent dissolution of the house, this is the first opportunity to bring this measure before the house for consideration.

Had the Prime Minister kept his word when he advised the people of Canada, right after being chosen leader of the Liberal party and Prime Minister, that he intended to call parliament immediately to clean up the legislation then on the order paper and then take a summer recess to be followed by an election in the fall, these Farm Improvement Loans Act amendments would have been before the house months ago and our farmers would not have been denied the credit they have needed in the past six months. The farm community would then have found it much easier to continue its operations than has been the case. This is a direct result of the Prime Minister going to the country in April. No one can disagree with the statement that these Farm Improvement Loan Act amendments, with which we are now dealing six months too late, were not passed earlier because of the unwillingness of the Prime Minister to call parliament early in May.

Farming is a business operation today, and I am sure that everyone will agree that credit is necessary to any business operation but cannot solve the problems facing our farmers today. These problems have been in existence for some time. As we know, the farmer has for many years been caught in a very real cost-price squeeze. To find out exactly how the farmer has been doing for the past ten years I obtained the relevant figures from the Dominion Bureau of Statistics which keeps such figures for the government. I wanted to find out how the farmer had been making out in the last ten-year period, what he had received for his products and what he had to pay for the things he had to buy. During this ten-year period prices paid by our farmers increased by 35.1 per cent. The prices received by our farmers for the things they sold increased by only 24.3 per cent.

• (5:00 p.m.)

It is easy to see from these figures that during the past ten years our farmers have become steadily worse off year by year. It is clear to us, and I hope it will soon be clear to the government, that this situation must be corrected if we are to preserve agriculture as our basic industry and if we are to preserve the family farm as the basic unit of agriculture. Far too many young men are today leaving the farm because they do not see a bright future in farming. The policies of this

government during the past five years have been responsible to a great extent for this situation.

I believe the best way to solve the cost-price squeeze in which our farmers find themselves today is for the government to establish a royal commission to examine all facets of the operation of our farmers, food processors, machinery manufacturers and all those who sell our food products in their various forms—in fact, the whole farming operation from the time the seed goes into the ground until the customer buys the product in whatever final form it is made available to him. This royal commission should also study the cost of those things the farmer has to buy in order to carry on a normal operation. It is important to find out who is making an abnormal profit in this whole process.

One thing is sure, our farmers are not making an abnormal profit; they are making only a reasonable and steadily declining profit, as is made clear by the figures I mentioned a few moments ago. The profit of our farmers has been slipping year by year. The situation of our farmers has become steadily worse. If we are to retain agriculture as our No. 1 basic industry, keep young farmers on the farm and make it possible for the family farm to remain our basic agricultural unit, we must solve the problem of why the cost-price squeeze has been increasing year by year.

So I once again urge the government to establish a royal commission to examine this whole problem in all parts of the country. We must do whatever we can to solve the problem with which farmers have been faced for many years and which has become worse year by year. The cost-price squeeze is gradually throttling the farming industry in Canada.

I should like to speak briefly about one of the problems which our farmers face. This problem particularly affects farmers in the province of Ontario and points up the need for credit being made available quickly and at low interest rates in order to help farmers who are faced with serious adverse conditions in their farming operation.

I speak particularly of the problem of those who grow and process tomatoes in Ontario. I have been advised by the president of the Ontario food processors that the average processed cost of canned tomatoes and tomato juice is $5.30 a case of 24, 28-ounce cans. Canadian growers and processors have been encountering very serious competition from processers and growers in France, Spain and Bulgaria. The products produced in these countries can be landed and sold in Canada at a price that varies between $5.20 and $5.60 a case. The reason these products can be landed and sold at this low price is that in each of the three countries I have mentioned the product is subsidized by the government.

This situation was made clear to the government earlier this year by two organizations, the Ontario food processors in their very excellent brief presented to the government, and the Canadian food processors in their very excellent brief. These briefs pointed out clearly the problem faced by our growers and processors. They pointed out the subsidy paid per case in the countries of origin of those products. They asked very earnestly that the government impose a countervailing duty on these products, when they land in this country, equivalent to the subsidy paid in the country of origin. That is a sensible request. If this is not done, our processors and growers cannot fairly compete with processors and growers in the countries I have mentioned. The present situation is having a very detrimental effect on Canadian growers and processors.

I strongly urge the government, and the minister who recently took over this portfolio, to seriously examine these excellent briefs which were presented earlier this year to the government. I urge the government to impose countervailing duties equivalent to the subsidies paid in the countries of origin. The situation that exists is making it impossible for Canadian processors and growers to make a reasonable profit, to be able to compete, stay in business and help the Canadian farming industry to flourish and produce a good livelihood for those who subsist by the industry.

Mr. Gleave: Mr. Chairman, I should like to point out to the house the stand on farm credit taken by the Canadian Federation of Agriculture at their board of directors meeting in July of 1968. I shall quote the resolution they passed at that time:

> That legislation of the farm improvement loans type providing government guarantees on bank loans for farm purposes, at the lowest possible rates of interest, should be immediately enacted.

• (5:10 p.m.)

It goes on to say:

> Many farmers require long, intermediate and short term credit to develop their farming operations to meet modern conditions of production, and low returns to agriculture production often make interest rates higher than 5 per cent an

excessive burden which hinders progress in agriculture in both the farmers' interests and the public's interest. It is therefore essential that through the Farm Credit Corporation or through an expanded and restructured federal agricultural credit service, that a supervised "package" credit service be developed that can meet the short, intermediate and long term credit needs of farmers on a planned basis and at a moderate (i.e. 5 per cent) rate of interest. Such a service should very soon be made available.

The C.F.A. requests that at a very early date the federal government, and its agencies in the farm credit field, with the members of the advisory committee to the F.C.C. enter into detailed consultations with the C.F.A. on detailed farm credit policy requirements.

Both of our farm organizations which are national in scope, the National Farmers Union and the C.F.A., have taken similar stands on the matter of farm credit. I cannot understand how a government responsible to the farmers of Canada as a whole would disregard the recommendations of both and instead say they propose to change the credit program so that the interest rate will be set by the governor in council. Obviously it will be higher than the present rate; otherwise, of course, there would be no point in changing the act. How can they propose to do this in spite of the recommendations and advice received from the collective farm organizations in this country? There may be times when farm organizations, like anyone else, may not be entirely correct, but in this field I think their advice and recommendations should be very carefully considered. If they are not considered, the result will be an escalation of costs in the farm sector and in farm production.

I should like to read what an economist on the staff of the Economic Council of Canada, Wolfgang Illing, said, speaking on the rising cost of housing in Canada:

The rising cost of money has had a greater impact on the over-all price of housing than the increased cost of serviced land.

He went on to say:

The cost of borrowing money to buy residential property and the cost of serviced land in urban areas are the principal causes, with the cost of borrowing the more important of the two.

He gave some interesting examples. He said:

An increase in interest rates from about 6 per cent to about 9 per cent has added more to the monthly payment of an average mortgage than a $5,000 increase in the price of the building lot would have added without a change in the interest rate.

A 25-year $16,500 mortgage, at 6 per cent with a $106 monthly payment, results in the payment of $15,200 in interest for a total repayment of $31,700. The same mortgage, at a 9 per cent rate, would result in monthly payments of $137, and interest payments of $24,500, for a total repayment of $41,000.

This is approximately a little short of $9,000 added to the price of the house as the result of the increased interest rate. What is being proposed here is that we should do the same to the farmer. The result will be an increase in his production cost comparable to the increase in the cost of housing. We will end up in agriculture as we have done in housing. In housing we have expensive money and a shortage of houses, while in agriculture we will have expensive money and reduced production without the efficient, well organized farm units which we should have in this country. We will put the small farmer against the wall and we will put the large farmer under a debt load which it will take him years to repay, if he ever does.

Of course, as the minister said, the government has the power to do it if they choose to. Speaking the other evening, he pointed out to the opposition that "the hon. gentlemen opposite who have been reduced from 96 to 72 ought to have got the message by this time." He said that in effect the government has the power to do it and they will do it over the opinions and opposition of members on this side of the house.

Mr. Olson: Mr. Chairman, on a point of order, I ask the hon. gentleman to read the sentence preceding that one so as to put what I said in context. Hon. members opposite were challenging the right of the government to propose legislation. That is why I mentioned the numbers.

Mr. Gleave: Does the minister wish me to read the preceding sentence from *Hansard*? It is a fairly long statement.

Mr. Olson: To do so would be fair. I leave it to the hon. member to determine what is fair.

Mr. Gleave: Mr. Chairman, I grant the minister the privilege when he rises in his place to read whatever he may choose ahead of what I said. I have no objection to reading it, but this is the opinion he expressed. I do not want to put him in a position in which he does not choose to be. If he does not choose to say that, he does not have to. What I am pointing out is mainly the position of farm organizations and the opinions which they have expressed which, I say with all due respect to the minister, should be carefully considered because these organizations

represent the rank and file of the farmers across our nation. They represent L'Union des Catholiques Cultivateurs de Quebec, the Ontario Federation of Agriculture, the Ontario Farmers' Union, and many others from all provinces. These organizations represent farmers all across the country and it is their considered opinion that the present 5 per cent interest rate is the maximum that the farm industry can bear and continue to be productive.

• (5:20 p.m.)

I have here an article from the *Western Producer* for September 26 which is headed, "Western Grain Industry: We Must Export or Die". The article contains the text of an address by Charles W. Gibbings, president of the Saskatchewan Wheat Pool. He points out the precarious position of the western grain industry. It is in a difficult, tight position. He is quite right when he says that we must export grain or we will not survive. I am a farmer in that area. When the grain industry is in that position, is this the time to revise the credit structure of the farm industry in Canada? Is this the time we should pick, when the industry is already struggling for survival? Do we pick this time to add to the increasing costs of production of the farmers out there who are already struggling with increased costs of machinery and fertilizer and the other things that go into the production of grain? Are we, as a government and a people, going to make a decision that will add another straw to the camel's back? At this time the corn growers of Ontario are declaring themselves to be in the same position.

I believe all these things should be carefully considered when we talk about adding to the cost of money. We can make more money available for the farmers to borrow, as we are proposing to do under the Farm Improvement Loans Act. There is a provision in this measure to increase the amount of money available. I suppose some of our farmers will be desperate enough to avail themselves of the increased amount of money in order to try to bail themselves out of the hole in which they are, to try to delay the day of reckoning which must surely come.

However, let the house remember why the Farm Improvement Loans Act was passed in the first place, and why the Farm Credit Corporation came into being in the first place. The Farm Improvement Loans Act was passed in the first place because farmers were in such a state they could not get credit from the ordinary sources. They could not get credit to tool up, to buy the machines that were needed as a result of the depression and following the second world war. At that time the whole agricultural industry had to be retooled and re-equipped and credit had to be found to do this job. These measures, the Farm Improvement Loans Act and the Farm Credit Act, were designed to do this job. The interest rate was set at a point which it was considered the industry could carry at that time. We can make the extra money available, but if we do so at a cost which the industry cannot bear, or if we make this money available to an industry which is in a precarious financial position, then we are only going half way. In addition to these measures we will have to have a marketing structure, a price support structure and an over-all agricultural policy which will keep the industry in healthy condition. I believe this is the first consideration which should be before this house, to see that agriculture is in a healthy financial condition and that credit is available at a rate the industry can bear.

Mr. Howe: Mr. Chairman, I should like to take advantage of this opportunity to congratulate the minister on his appointment to this portfolio. I hope he will take as his example the former member for Qu'Appelle who showed more understanding and sympathy for the Canadian agricultural industry and economy than, in my period of service in this house, has been displayed before or since. I should like also to take this opportunity to invite the minister to attend the international plowing matches which are going to be held in Wellington county beginning October 16. I hope he will avail himself of the opportunity to see some of the best farm land in the world.

The introduction of this measure, provides an opportunity for members of this house to present to the minister some of the problems in connection with farm credit and agricultural problems in general. Credit, whether it is for the householder, the farmer, the merchant or the industrialist, has become a way of life. Sometimes it is rather interesting to note that it would almost seem that the size of the loan or mortgage has become a status symbol. I well remember a comment made by Dr. Howard of Chalmers United Church in this city in referring to modern philosophy. He said modern philosophy was made up of wall to wall carpeting and back to the wall financing.

I sometimes think that the use of credit should be a subject in our school curriculum because it has become of such universal

importance. Sometimes it is too easy, sometimes it is too expensive and in many cases it is abused. Of late we have had instances of this in the Farm Credit Corporation and there have been instances cited in connection with student loans. In providing legislation covering this subject I sometimes feel we should proceed very carefully because, after all, we are legislating not just for today. We are introducing legislation that may last for 40 years. Perhaps it would be well to listen to the words of Mr. Leach, president of the Canadian Chamber of Commerce, who said:

I am concerned about what sort of economy those in their twenties today will inherit from us who are two and three times their age.

Today's extravagances, while they can be perhaps financed by borrowing, will have to be paid for ultimately by the younger people and maybe we who are in our forties and sixties should have considerable concern about this.

I am particularly concerned about the cost of credit to farmers. During this debate it has been stated that making credit available does not get to the root of agricultural problems. I feel that the cost of credit can assist the farmer who is faced with a rising cost of operation with no compensatory increase in the price of his products. However, Mr. Chairman, this is not new. Since I came to this house in 1953, year after year reference has been made to agricultural statistics which threaten to destroy financially the farmers of this country. However, we must give the farmers credit for being able to do something about their problem. The only way they have been able to overcome the cost-price squeeze—and I think they deserve a great deal of credit for this—is by their ability to make one, two, three and sometimes ten blades of grass grow where only one grew before.

• (5:30 p.m.)

In that connection, it is rather interesting to note that in the introductory speech of the Minister of Agriculture—

The Deputy Chairman: Order. The Chair has been informed that a messenger from the other place is now on his way to this house. Therefore the proceedings of this committee will be suspended and I do now leave the chair.

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform this house that a message has been received from the Senate informing this house that the Senate has passed Bill No. C-108, an act for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1969.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: While I have the floor I should like to advise hon. members that the matters to be discussed at the time of the adjournment period are the following: the hon. member for Waterloo (Mr. Saltsman), Consumer Affairs; the hon. member for Fraser Valley West (Mr. Rose), Education; the hon. member for New Westminster (Mr. Hogarth), Harbours.

THE ROYAL ASSENT

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

• (5:40 p.m.)

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An Act to amend the Publication of Statutes Act.
An Act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1969.

FARM IMPROVEMENT LOANS ACT

AMENDMENTS EXTENDING PERIOD, RESPECTING INTEREST RATES, ETC.

The house resumed consideration in committee of the following resolution—Mr. Olson (for Mr. Benson)—Mr. Béchard in the chair:

That it is expedient to introduce a measure to amend the Farm Improvement Loans Act to provide for a further three-year loan period ending June 30, 1971; to substitute for the 5 per cent rate of interest on guaranteed farm improvement loans made under the Act such rate or rates of interest as may be prescribed by the Governor in Council; to extend the purposes for which guaranteed loans may be made to include the purchase of land as an addition to an existing farm enterprise; to increase from $15,000 to $25,000 the maximum amount of any loan that may be made under the act to a borrower together with any amount owing in respect of other guaranteed farm improvement loans; to authorize the Minister of Finance to

designate certain trust and loan companies and insurance companies and certain credit unions, caisse populaire and other co-operative credit societies as authorized lenders under the act; to establish a limit of $1,200,000,000 as the aggregate principal amount of guaranteed loans that may be made by all authorized lenders in that period and a limit of $300,000,000 as the aggregate amount of guaranteed loans that may be made by authorized lenders other than banks during that period; to increase the present limit of liability of the Minister of Finance in respect of loans made by individual lenders to encourage lending by small-volume lenders; to provide further for certain changes in connection with the administration of the Act and for other matters related or incidental thereto.

Mr. Howe: Mr. Chairman, I was discussing the wonderful contribution our farmers have made to this country and the wonderful efforts they have made to keep their heads above water. I was surprised to hear the statistics quoted by the minister when he spoke about farmers. He had this to say as found on page 599 of *Hansard*:

Between 1961 and 1966 the number of farms in Canada with gross sales in excess of $5,000 per annum increased from about 140,000 to about 192,000. In the same period the number of farms with gross sales of more than $10,000 per annum increased from 50,000 to 95,000 or 90 per cent.

Those statistics almost give the impression that farmers never had it so good. However, the statistics quoted as coming from the Dominion Bureau of Statistics by the hon. member for Prince Edward-Hastings this afternoon would indicate that this is not true. Farmers, however, have become increasingly efficient, despite what the studies of some may indicate. The fact is that in 1930 one agricultural worker fed 11 persons, in 1946 one agricultural worker fed 13 persons, and at present one worker in the agricultural industry feeds 33 persons.

In the same connection I was interested in a recent newspaper editorial which said:

• (5:50 p.m.)

Canada's farmers have an impressive record of producing food efficiently. Food exports over the years have earned large sums of needed foreign currency, while the abundant supplies of low-priced food for our own consumers have been a vital factor in the rapid rise of the standard of living of most Canadians.

But it is becoming apparent now that farmers are growing weary of subsidizing Canada's economy with cheap food.

This is very true, Mr. Chairman. Among the prime elements in arriving at the cost factor in modern agriculture must of necessity be the cost and availability of credit. It would appear that the legislation proposed will increase the availability in areas where credit can be provided. However, in connection with the cost there appears to be considerable doubt that the farmers of Canada will be treated in the same realistic way that they were in 1958 when the party to which I belong was in power.

Many of us on this side remember the battles we had before the rate of 5 per cent was maintained and I do not think I am giving away any caucus secrets when I mention that we had considerable battles with some of our own urban members as to the reality of maintaining that rate on the part of the Farm Credit Corporation. It would seem, to judge by the small number of speakers from the other side of the house in this debate, that even though some of them come from important agricultural areas they are not particularly interested in this aspect and I sometimes wonder whether in those secret caucuses we have heard so much about they have stood up to persuade the Minister of Agriculture that this interest rate should be maintained at 5 per cent.

So far as the farm improvement loan legislation is concerned I feel the minister should indicate some definite formula so that farmers may know just where they are heading—probably a formula associated with the prime bank rate. Experience has shown that farmers are just as good credit risks as institutions which get the prime bank rate and I feel that in the case of farm improvement loans the figure should be arrived at on the basis of a definite formula easily understandable by farmers and of assistance to them.

If the farmers of Canada are to be forced to pay the high interest rates current at the present time they will have to receive more money for their products. Then what will happen? The cry today is that the farmers are the favoured group in our national picture. We who represent the farming areas are getting tired of the finger being constantly pointed at the farmer as the one who receives the greatest chunk of what is spent on the higher cost of living. It is true the price of food in the marketplace may have increased the cost of living but in many cases this higher cost has been created between the farmer and the consumer as a result of the increased costs of processing, packaging, freezing and transportation.

One of the reasons I rose to take part in this debate is my feeling that in addition to this legislation we in Canada need some type of assistance in cases of emergency and disaster. This idea was suggested some time ago by the Federation of Agriculture in one

of its briefs. The necessity for legislation along these lines was described in a paragraph which stated:

> Occasionally farming areas are struck by sudden national catastrophes such as severe drought, large scale floods, storms of hurricane force, severe infestations by insects, plant diseases of epidemic proportions, severe frosts at certain periods for plant and tree growth and other natural hazards.
>
> Damage to buildings, fences, machinery, fruit trees, livestock and land in addition to actual loss of production under such disaster conditions can be very severe. When this happens, many farms are in immediate need of credit for the purpose of restoring actual assets destroyed or damaged and for current farm operating and living expenses until production can be brought back to normal.

This recommendation appeared in a brief presented by the Federation of Agriculture in support of some form of federal emergency loan legislation. The need was brought vividly to my attention this year when a hurricane blew through the township of Proton in the southern part of Grey county. The heading in the local newspaper reads: "Thousands of Dollars Damage By Cyclone In Proton Township". The article reads in part:

> One of the most destructive storms to have ever struck this district tore a narrow path through Proton Township on Thursday, Aug. 22, 1968, about 4:00 p.m. At least four barns and other buildings were unroofed, a silo demolished, shambles made of two residences, hundreds of trees broken and uprooted, hydro and telephone lines disrupted, rail fences scattered and grain flattened.

Farmers have no control over occurrences of this kind which take place more often than some people think. It is almost impossible to take out any kind of insurance to cover hurricane damage and I feel strongly that some form of assistance should be available. When I returned to Ottawa I wrote to the Minister of Agriculture asking whether he would give consideration to doing what the province of Ontario already does, that is, match dollar for dollar what can be collected by friends and neighbours in the particular area affected. In passing, I should like to congratulate the people in the Proton area who have taken such a practical interest in their own neighbours by collecting more than $10,000 to help the victims of this hurricane. This will be matched by $10,000 from the provincial government and I can see no reason why it could not be matched by a similar contribution from the federal government. Even though the minister has up to now refused to make assistance available along these lines, I hope he will reconsider his attitude because the amount involved would not be large, not nearly as great as we understand the former minister of agriculture intends to spend on refurnishing his office. Possibly it would only amount to $10,000 or $15,000, but we feel its provision would be of great assistance to those concerned.

Mr. Knowles (Winnipeg North Centre): Six o'clock.

Mr. Howe: There is one other thing. I should like the minister to suggest to the farm credit administration office in that area that the farmers affected should, if they find themselves in difficulty as a result of the circumstances I have described, be allowed a little extra time in which to repay their loans.

To sum up, I sincerely hope the 5 per cent rate can be maintained under the Farm Credit Corporation and that in connection with farm improvement loans some definite formula can be provided such as linking the rate to the prime bank rate. Further, I hope Canadians can be given some type of emergency disaster loans and that the minister will give favourable consideration to matching the action of the provincial government in assisting the farmers of Grey county who lost crops and property in the hurricane.

The Chairman: In accordance with the provisions of paragraph 15 (4) of the standing orders the hour for the consideration of private members' business has been suspended for this sitting. Accordingly, I do leave the chair until eight o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Ritchie: In rising to speak on farm credit I feel that there are substantial areas, particularly in respect of the Farm Credit Corporation, that deserve wide scrutiny at this point. Since the original Farm Credit Act was instituted there has been a substantial change in farm economics, marketing problems and in the general economic climate in which the farm industry must operate. During these past ten years there has been a phenomenal increase in the price of land, in the price of machinery and farm operating costs. The increase in land price has been aided by the rapid rate of inflation, competition from would-be new farmers, and competition by established farmers who increase their holdings when the amount of land available remains static. There is just no more land being created. As well, there has been

some demand by investors as a hedge against inflation. All this has increased the amount of capital required to carry on a viable farm operation so that the capital required is now in the neighbourhood of $60,000 to $100,000 for a modest farm.

So far as farm improvement loans are concerned, in respect of which the banks and other companies will be lending money, it would seem that the rate of interest on money should be tied to the prime interest rate. This would introduce a flexibility into the lending which I think would be very advantageous and would prevent a situation that has occurred in the past few months.

In relation to the Farm Credit Act I should like to point out that the amount of farm capitalization necessary to carry on an adequate farm is of a large order. The capital repayment necessary to pay for a farm involving a $60,000 to $100,000 capital investment is in the nature of $3,000 to $5,000 per year. This is a very heavy burden for the farmers to bear in relation to their earnings. With the high level of income tax this means that the farmers' standard of living is seriously compromised. He is placed at a serious disadvantage in respect of his living standards, compared with his counterpart in the city who has the advantage of having the necessary capital supplied by others. In discussing with young farmers the reason they leave the farm for relatively low wage jobs in the city, this would appear to be a factor.

Although it is not usually recognized as such, in our high cost economy, the old adage that the farmer lives poor and dies rich will be much more applicable in future than it is at present. It would seem obvious that, in the future, capital repayment on land for farms by the individual farmer will have to be spread out over long periods. Indeed it will be likely that in his lifetime a farmer will not often retire the debt acquired in the purchase of land and the building of his farm unit. In order to retain the family farm unit it will be necessary to allow the accumulation of capital by a farmer and his family to some greater degree than is allowed under our present taxation structure. This would require the calling of witnesses before a committee to study thoroughly the agricultural field, the lending field and the taxation field. A means must be found by which the farmer will be in a position to retain more of the capital he has accumulated, particularly in view of the very high income tax level. Some thought should be given to a program which would allow a farm to be passed from generation to generation without complete refinancing. I notice a change in the resolution which might have been incorporated for the purpose and, if so, I welcome it as a useful instrument.

A small farm has now become a small business the operation of which requires a major effort on the part of the farmer. The business of lending money should be considered in the light of the fact that the individual farmer is a businessman generally alone, and that therefore our present taxation and social structure, as in the case of a small business, does not give the farmer a proper opportunity to take his place in society. If the family farmer does disappear in the foreseeable future his demise will be caused by the taxation policies in relation to business. At the present time the family farm, on the whole, is efficient and provides more food more cheaply than does any corporation. However the family farm must be allowed to operate and breathe; otherwise it will be taken over by corporation farms to the disadvantage of the whole community. The Farm Credit Corporation has been established now for a long time, but in view of the great changes and a whole host of new problems that have arisen it should be studied in depth.

The only way to achieve this is for the agricultural committee to carry out a study in depth of this problem. Until this is done the interest rate should not change from its present level of 5 per cent and should not be subject to change by the governor in council operating in secrecy and without accountability. The farmer must know what his interest rate is to be. There should be no doubt on his part concerning the interest rate. An interest rate of 5 per cent is reasonable on the average over a long period. Although the funds for lending by the Farm Credit Corporation are taken out of the consolidated revenue fund, much money has already been paid back into the fund, so that to some extent it is self-sustaining. No change should be made in the interest rate or in the terms of interest until there has been a review of the necessity for this, and of the other factors involved in a study of the interest rate.

It might be that the Farm Credit Corporation has funds of its own which it could use for the purpose of carrying on modest research. It might be reasonable that a young farmer could be given a rate of interest lower than the normal rate for a period of time, until he becomes established and is in a position to pay a higher interest rate. Farm credit is a very important factor in the business of

farming. In considering the problems which face farmers today it is on a par with marketing. It is absolutely essential that a good system of farm loans be evolved and that changes be made to meet varying conditions. There must be greater means by which farm credit can be obtained. These bills seem to be merely a hurried extension of existing legislation, and do not indicate that there has been thoughtful consideration of the needs of the farmer.

Mr. Douglas: Mr. Chairman, I hesitate to enter this debate because I have a feeling that it has already been prolonged to too great an extent. I believe that if we are really concerned about the plight of the farmers and the interests of the farmers we would have discontinued this debate two or three days ago, and would have proceeded with our business of passing these bills.

Some hon. Members: Sit down.

Mr. Douglas: It is not only the bills referred to in these resolutions which are being held up, but there are other important bills waiting in the wings, such as the bill concerning the increase in cash advances. Much of the debate so far has been more or less irrelevant, and certainly it has been time consuming and repetitive. I am afraid that a good deal of it will be repeated when we discuss the bill in the house later.

What are we supposed to be doing here? I believe we are supposed to be discussing three resolutions which deal with programs which have been in operation for some years, and which have been accepted and used by the farmers of Canada. We should be discussing the renewal of the Farm Improvement Loans Act, revisions to the Farm Credit Act and revisions to the Farm Machinery Syndicates Credit Act. But we seem to be ranging very far from these topics at times.

• (8:10 p.m.)

In regard to the Farm Improvement Loans Act, I think it is important to reactivate this as soon as possible, because many farmers are waiting for these loans. I do not think it is particularly beneficial to farmers to have us spending time trying to assess blame, or take credit for things done or left undone in the past years or months. I think it is important to get these bills introduced and passed. The farmers are waiting for this legislation in order to make use of these provisions.

I am very pleased to hear that credit unions are to be allowed to become lending institutions under this act. The provisions which make it possible for farmers to borrow money under the act to purchase small land holdings over a relatively brief period of time will be beneficial as well.

I want to say a few words about the Farm Credit Act and the farm syndicate loans act. Farmers have accepted the provisions of these acts, and they have accomplished at least two beneficial results. They have made it possible for farmers to attain economic units, and have created a great deal of efficiency in farm units in Canada. They have also made it possible to transfer farms to the younger generation, and this is one of the most important things that can be done at this time.

The proposal to increase the capital under this act will enable a continuing use of these funds in future years. I believe also that the father-son partnership provision is good. It will enable such a partnership to borrow more money than might otherwise be available.

I welcome also the provision which makes credit available to farm co-operatives and farm corporations under the Farm Credit Corporation. I think it is a good idea that the people living on Indian reserves, either in bands or as individuals, will now be allowed, once this resolution becomes law, to borrow money from the Farm Credit Corporation.

There is one reservation I have in respect of this resolution regarding the Farm Credit Corporation act. I sympathize with many of the members who have expressed their concern, particularly those members on the opposition benches. I made a similar statement during the debate in reply to the speech from the throne that I should like to see interest rates remain the same as they are at present under the Farm Credit Corporation act.

Some hon. Members: Hear, hear.

I am not sure that I will be successful in persuading my colleagues on this side of the house to support my stand in this matter, but if anyone can do this it is not likely to be someone on the opposition side. The best thing we can do in this committee is to expedite the passage of these resolutions, and get on with the job of providing these additional credit facilities to the farmers of Canada.

Mr. Skoberg: Mr. Chairman, my only reason for speaking on this resolution this evening is my concern about its implications. I am of a different opinion from the hon. mem-

ber for Assiniboia, who suggested there was nothing to worry about. The resolution we have before us should be considered seriously.

I agree with another hon. member who suggested that interest rates on these loans should be pegged. I am particularly concerned with interest rates because of what happened many years ago. I remember the hardships that my family suffered when trying to keep up the payments on loans, due to interest rates. They had to obtain a mortgage in order to stay in business. In 1937 the bank which held the mortgage on the land my father owned in Alberta required him to sell the cattle he had to stay in business. I remember their taking the machinery and the land, and everything else it was possible to remove in order to pay up the mortgage. These people were not interested in my father keeping his farm lands. It is my suggestion tonight that if we permit this resolution to pass in its present form, without pegging the interest rate, we can expect the same thing to happen again.

Surely no one questions the fact that the Farm Improvement Loans Act should be reinstated; but these changes, whether acceptable or not, should not be shoved down our throats. We must seriously consider the interest rates which are spelled out in respect of guaranteed farm improvement loans prescribed by the governor in council. We are all aware of the fact that the N.H.A. rates are those prescribed by the governor in council.

When we look at the situation which exists throughout Canada we realize that only those people who earn $8,000 a year can qualify for these loans. If this measure is passed in its present form, the farmers who are not earning that amount of money could be in the same position as 80 per cent of the people in this country who cannot qualify for an N.H.A. loan. I hope the minister will realize that the young people and the elderly people who must obtain loans under the act are the people who are most important to this industry. Having regard to the analogy I have made, we are making provisions to allow the governor in council to practise discrimination against the farming people of this country.

The Minister of Agriculture said, on September 30, that the Minister of Finance advised that when the legislation was introduced in the house the new lending period would be made retroactive from July 1, having regard to loans made after June 30, and that these would be guaranteed by the government. I ask members of the house what better lending institution could possibly be found than the government of this country. I am sure anyone who wanted to establish a lending institution would be pleased to know that the loans he was making were backed by the people of Canada. The Minister of Agriculture suggested it was important to keep in mind that the object of this legislation is to facilitate guaranteed loans to farmers, but the ultimate decision of whether such loans are made rests with the lender.

[Mr. Skoberg.]

• (8:20 p.m.)

These facts will help to throw some light on what has been taking place in this country ever since the war. The defenders of the profit, or free enterprise system, have been taking their prosperity in cash, while the ordinary John Doe has been encouraged to take his prosperity on credit. I suggest this is exactly what is happening today. This was offered as a remedy for his own tight money problem, resulting from too much money being drained out of the economy in profits. This stimulant could have only temporary benefits and the sources were limited.

As the economy has slowed down, the government has been unable or unwilling to diagnose the case or come to grips with realities. Instead they are experimenting with various kinds of free enterprise nostrums. They have cut taxes for the rich. When this did not produce the desired results, they increased taxes but provided refunds to corporations, which simply means that the corporations were not taxed at all.

Those who have taken $5 billion out of the economy in 12 short months are the people who receive special consideration at the hands of the old line parties. Having drained the public purse, they now favour high interest rates for money. I include both the Liberals and the Conservatives in these remarks. I do not think there is any question whatsoever that there is not one iota of difference between the Liberals and the Conservatives, with regard to protecting the private corporate interest in this country. I appreciate the position the Conservatives have taken in this particular situation, but I wonder what they would do if they were now in office.

There is one more analogy I should like to make, Mr. Chairman. It is that many, many people are very critical of the hippies that we have in Canada today. So far as the hippies are concerned, I believe they are fed up to the teeth with the absolute inactivity of the government of Canada. I am sure they are fed up to the teeth with the absolute lack of

responsibility on the part of members of parliament, when they fail to meet the issues head on. In this regard I refer to the resolution now before us. Here we are giving the right to raise the interest rate on farm improvement loans to the economic hippies—and I am sure this country is full of economic hippies. We do not have to look very far to realize this and to realize they do not care what really happens to the farmer today.

The most important fact we have to face today is that farm people very much need the money that is available to them by way of a farm improvement loan. I assure the committee that the people to whom I have spoken are most desirous of being able to avail themselves of farm improvement loans, but they are not desirous of availing themselves of such loans if there is an increase in the interest rate. These remarks apply to the people with whom I have spoken within the last week, and before that. They suggested that, because of the present interest rate they are unable at this time to take advantage of the loans available to them. I am sure that when the bill following this resolution is passed there will be absolutely no way of pegging the interest rate.

I was very surprised when the other day the Minister of Agriculture suggested that the majority of his party really is not very much interested in what the opposition have to say in this respect. I think it is high time that, regardless of the majority of any party in this house, the government realized that the minority has a right to be heard and to be told exactly what is going on.

I think what happened this afternoon is a perfect example of what happens with this government. The minister neglected to give us information on the measures proposed in the order paper, but the information was given to the press ahead of time. I realize that resolution No. 5 contains many necessary provisions. We all realize that we are not going to hold up its passage indefinitely, but we ask that this matter be referred to a committee that will be able to consider it and decide in what way it could be improved.

It has always been my opinion that the government should recognize there are experts in every field with which they deal. These experts are not necessarily in the ranks of the government. I believe that every government should at least recognize the fact that there must be consultation with those people most directly affected by the legislation proposed, and I suggest the people in the agricultural field should be consulted about these matters. People representing farm organizations should be given the opportunity to discuss the matters with which we are now dealing.

One hon. member suggested that a royal commission be appointed to study this whole question. I have absolutely no confidence in royal commissions. I suggest that the only way to enact the best kind of legislation to solve these problems is to consult the people concerned. They should be brought before the agriculture committee and allowed to express their views as to what is best for their industry and our society.

I agree that this discussion must come to an end. Many of the things that have been said are being repeated. I urge the government, and particularly the Minister of Agriculture, to pay great attention to setting an interest rate in respect of farm improvement loans that will be equitable to all. I have no hesitation in opposing this resolution in its present form. I shall have no hesitation in going back to the constituency from which I come and telling my people why I opposed it. I believe that because of the method used in setting the interest rate under this legislation we can expect the worst for the farmers of this country. I do not mean just the western farmers, but the farmers in this whole nation. I urge the Minister of Agriculture to give serious attention to the rate of interest, and the one clause of the resolution to which I have referred.

Mr. Rynard: Mr. Chairman, I shall be brief in my remarks. I have only a few things to say about the speeches that I have heard in the house, and I shall add some comments of my own. First of all I want to congratulate the last speaker upon some of the cogent remarks he made on the matter of increasing the interest rate. One of the things we must keep in mind is that the field of agriculture has changed a great deal in the last 70 years. It has changed from a farmer providing food for himself and another person in 1900, to today providing food for upwards of 35 people. This shows the great scientific developments that have been made in farming. As a matter of fact, I do not think any industry in Canada has produced, per capita, the increased rate of production of the farm operator.

This proves that the farm operator has the necessary skill, the necessary education and the know-how to run his farm, given the opportunity to obtain capital. Another fact we must keep in mind is that farming is a costly

business. You can start an operation with a dairy farm and buy 25 or 30 cows, and you will pay upwards of $300 to $500 per cow. Then you have to buy coolers and all the other things that go with operating a dairy farm. You also have to pay high wages for any help you employ. Particularly in dairying. This can be multiplied many times over, on bigger operations but it shows the capital that is necessary to run a farm, increasing with the size.

• (8:30 p.m.)

If there is to be such a high rate of interest, then it would not pay the man to start farming because it would be very difficult nowadays to start a dairy farm of 100 acres fully equipped for under $80,000. At 7 or 8 per cent the interest on that would be about $6,000 a year, before there was any income whatsoever. This is one thing we have to keep in mind. On the one hand there is the high value of investment in this industry, and on the other hand we subsidize the automobile manufacturers up to $50 million a year, and with no qualms at all. The Canadian people have the right to subsidize farming operations because when we look at the facts and figures we find that there are no other people in the world who are as cheaply fed, with the possible exception of those in the country to the south, the U.S.A. as are the Canadian people. We also find that in relation to their income, the money which Canadians spend on food is less per capita, according to their earning power—with one exception, the United States—than anywhere else in the world.

So we do not need to apologize for subsidizing this industry. As a matter of fact, if we do not make it possible for the young fellow to start a farming operation, we may have to pay the penalty of paying through the nose because we will not have his products to sell or the food to buy to eat. Last year we imported into this country some $300 million worth of goods which we could produce right here in Canada, and our total imports of agricultural products ran upwards of $900 million. These are facts which we should consider very seriously in this house. Here we have an industry producing cheaper than anywhere in the world, with one exception, but we quibble with them and say they have to pay an interest rate which is sometimes as high as 8 to 10 per cent. This does not make common sense. This is one industry which it would pay to subsidize, because food is a necessity. We have to have it. I do not see why any apology should be made for keeping the rate at a level which the farmer can afford.

As I said before, we have to consider the farmer's high cost of investment. Who can start a farm of 100 acres and invest $80,000 in a dairy herd, and at the same time borrow a sufficient amount of money to purchase the equipment necessary to run it at the proposed rate, and make it a paying proposition.

The second point I wish to make is that the farmer is not only a producer but also a purchaser. He purchases the farm equipment that is manufactured in some city which employs labour. If this factory is not selling its products, it does not employ labour, the result is unemployment and the unemployed will have to be given assistance. We have here a two edged sword. The farmer of today is a specialist in his own right. If he is in the dairy business, he produces milk. If he is in the hog business, he produces hogs. However, that farmer does not generally produce more than one product. Many of them do not even have their own garden produce. They go to the store to buy it, just like the fellow in town. However, let us compare the farmer with the city dweller who purchases his food and shelter. He does the same as the farmer, but the farmer is also producing goods and he needs equipment which is manufactured in that town or city.

So let us not apologize. Anyone here who will stand up and apologize for helping the farmer is not thinking in the right way, or has not looked at the other side of the picture. He has not considered what the farmers are doing for this country. As a matter of fact, I think the hon. member for Timiskaming stated that the total administration cost amounted to only $3 million out of $263 million. That is proof of how good a risk the farmer is, in any investment that is made in him.

Mr. Chairman, I wish to take the opportunity now to compliment the minister on his appointment. The first thing he can do to pave the road with good intentions and to follow it through to a logical conclusion is to refer the annual report of the Farm Credit Corporation to a committee of the house, for further study, and to assure the house that he will do so. If he does so, I will sit down and let it go at that.

Mr. Rose: Mr. Chairman, as the only member from British Columbia to have spoken on this bill, and one who comes from a riding that has a large number of farms and rural

areas, may I say I feel that although, as many hon. members have mentioned, the debate has dragged on for a long time and now appears to become repetitive, it is important that I take part in it because, as I said earlier, the province of British Columbia, to my knowledge, has not yet been heard from. My riding of Fraser Valley West is of course famous for berries, dairies and poultry. It is a riding that will most probably be very interested in the kind of assistance which will become available under this legislation.

I should like to compliment the minister on much of what he has had to say in this regard. I am certain that much in these resolutions and the bills which will follow will be most helpful. I would be very interested to hear from other hon. members representing rural ridings, particularly on the government side, and especially to hear from the hon. member for Fraser Valley East who represents the neighbouring riding, because I know he has been in the poultry business for years and will have something to add to this debate.

We wonder about the economic pattern of this government, but apparently the clouds are being blown away and a distinct pattern is now emerging. On five separate items, the Canada student loans, the Farm Improvement Loans Act, the Farm Machinery Syndicates Credit Act, and, if you look down a little further, the Fisheries Improvement Loans Act, the government has now revealed what we may come to expect as government policy in regard to various federal assistance programs.

Two tendencies appear clear: First, that at this time the government is no longer prepared to keep the interest rates stable and to keep them down to the previous lending levels and, second, that private lending agencies such as trusts, banks and mortgage companies as well as credit unions and caisses populaires, will be the major suppliers of assistance funds, but at increased rates, which will encourage them to open their purses once more to help the country—banks, trusts and mortgage companies being the loyal corporate citizens that they are.

Of course there are ironclad guarantees of government backing, even though, as has been mentioned by two or three speakers, the failure rate on this kind of economic transaction is very small. All of us know what happened to the National Housing Act rates during recent months. Skyrocketting interest rates put the purchase of a new home hopelessly beyond the reach of the average Canadian. Similar flexibility is being planned for at least five other assistance programs which I have mentioned.

The first inkling of what was to come was the announcement on August 16 made by the Minister of Finance that henceforth the Canada student loan rate will no longer be five and three quarters per cent but will be pegged at 1 per cent above the bond yield on August 16 of every year. This effectively put the summer work-short college students further in hock than ever. What I am asking the minister through you, Mr. Chairman, is this: What will the situation be as a result of this proposed legislation when we come to consider the farmers?

We will soon have before us for amendment and renewal three agricultural assistance bills. We have the Farm Improvement Loans Act, which is an intermediate term program of five to ten years for the purchase of equipment and machinery. This will allow money to be made available through banks at 5 per cent interest rates. We also have the Farm Credit Act which was for land purchases mainly and is now to be broadened. Of course, this is going to fill the demand for longer term loans, that is between 25 and 29 years.

• (8:40 p.m.)

Finally, there is the Farm Machinery Syndicates Credit Act, which is probably the least used measure. It permits three or more private farmers to buy machinery in common, for its most efficient use. Whether or not this idea works out in practice is another point upon which I would not care to dwell tonight.

Now, Mr. Chairman, probably the most important amendment proposed is the one which, instead of fixing interest rates on these loans, would permit the rate henceforth to be set by the governor in council. By that, of course, we mean the cabinet through order in council. The matter will not come before parliament at all. If the cost of money continues to rise, as we can appreciate, so will the cost of loan capital to farmers and others. As we have heard, the farmers are a very hard pressed segment of Canadian society, and one wonders whether or not they can really afford this kind of help. It is my guess they cannot.

The other night we heard that 20,000 farms had been abandoned since 1961 and that the farmers' share of the consumer dollar had dropped from 56 cents in 1949 to 41 cents in

1964. We have heard, too, how the rural dispossessed migrate to the cities and cause problems there. These farmers, and rather inadequately prepared people fom the rural areas, are forced to compete in the cities as a result of being dispossessed.

Now, the same kind of future is in store for the Fisheries Improvement Loans Corporation. Government guaranteed loans to fishermen will no longer have the 5 per cent interest ceiling, and the interest rate will be allowed to fluctuate. Thus the fishermen, like the farmer, will henceforth be victims and charged at the prevailing rate or whatever the traffic will bear. My constituents will want me to speak out on this matter of interest rates because they feel that interest rates are not subject to natural economic laws at all, but instead are manipulated to the benefit of various financial interests.

So perhaps the picture of the government's intention is emerging now with greater clarity, almost frightening clarity, sir. Certainly, more money will be suitable for these plans; but at what cost? We would like to know at what cost. It seems unfortunate, even unjust to me that individuals in this country who are studying, farming or fishing, in other words those who are vital to our country's future, are asked to pay more when they can afford it least.

Now, Mr. Chairman, I am a newcomer to Ottawa. As a newcomer, I am very interested in the local livestock and wildlife. According to my observations, sir, there are more black squirrels on parliament hill than I have seen in any other place in Ottawa. I have often wondered why. If these measures pass, sir, I will know why.

Mr. Olson: Mr. Chairman, I should like to make a few remarks in reply to the many comments—

The Chairman: Order, please. I think the hon. member for Saint Hyacinthe would like to speak. Perhaps the Minister of Agriculture would prefer to allow him to speak, and then make his remarks.

[*Translation*]

Mr. Ricard: Mr. Chairman, I should like to make a few comments on the subject of agriculture, since I represent a riding well known for its wonderful farmers. I should like to take this opportunity to echo some of the recommendations made to the federal authorities by the Catholic Farmers Union.

[Mr. Rose.]

I have here a brief sent to me by Mr. Réal Montcalm, who is in charge of the information service of the Catholic Farmers Union. This brief contains some extremely useful information which I should like to bring to the attention of the minister, so that he might better understand the farmers' needs.

Mr. Chairman, I do not intend to speak at length, but I cannot let this opportunity go by without making a few comments.

In the brief it is said that:

—the goods and services used by the farmers increased by 60 per cent between 1951 and 1967, whereas the prices of farm products—

sold by the farmers during the same period...

—increased by only 17 per cent—

There is no need to have studied mathematics long to know that there is a lack of balance there. The minister should in fact avail himself of every opportunity to make up the discrepancy between the cost of production and the market prices of farm products.

Further in the same brief, Mr. Chairman, there is something about international negotiations, and here are the recommendations of the Catholic Farmers Union in that respect. I now quote from page 5 of that brief:

The C.F.U. is asking that the federal government, through international negotiations such as GATT, the Kennedy Round, etc., (a) to protect the eastern farmer against having his markets invaded by European or North American surplus farm products sold at dumping prices;

This afternoon, my colleague from Prince Edward-Hastings (Mr. Hees) gave examples of products which invade our markets at ridiculously low prices, thus forcing our farmers to get rid of their produce at prices which do not allow them to meet their obligations. I continue:

(b) to protect eastern Canada against imports of agricultural products which are not competitive on world markets nor on the Canadian market because the labour used in their production is paid at starvation rates;

We know, Mr. Chairman, that because of the very low wages paid workers in those underdeveloped countries, the latter can compete with the products of our farmers, who are forced to toe the line and pay salaries by far superior to those which workers receive in those underdeveloped countries.

The brief continues:

(c) to cease sacrificing the farming economy of eastern Canada to other areas in Canada.

Mr. Chairman, those are recommendations made by the Catholic Farmers Union representing 58,000 members in Quebec. Surely these people did not make those recommendations without having thoroughly studied the farming problems. While everybody agrees that agriculture is the corner-stone of our economy and that family farming is disappearing, it seems that government circles are persistingly refusing to take the necessary steps to right this sad state of affairs which will certainly lead the economy and agriculture straight to bankruptcy.

The dairy problem is also discussed. We know that farmers, especially in the province of Quebec, draw about half of their income from the dairy industry.

The young farmer who wants to establish his own farm is unable to obtain the quotas which he needs. He must sometimes wait for a year to obtain a quota. It seems to me that there is a more human way of solving this problem and that the minister should give it special attention before it is too late.

There are many farmers in my area and in other areas also who, on account of the difficulties which they experience in selling their products or the prices they get for their dairy products, have disposed of their herds of milch-cows, and this is detrimental not only to farmers but to the whole population.

Therefore, I suggest to the minister to make it easier for the young people, the young farmers in particular who want to take up farming, to get the quotas they need, so as to make sure that their farm is run in a normal way.

Finally, there are many other subjects about which we could talk at length and make suggestions, but I think that other honourable members have raised some points which I would like to discuss. Therefore, tonight I will restrict myself to those few brief remarks.

[*English*]

• (8:50 p.m.)

Mr. Olson: Mr. Chairman, first I should like to thank hon. members on both sides for many of the constructive remarks they have made for the purpose of improving the farm credit facilities available to the farmers of Canada. I intend in a moment or two to reply briefly to some of the specific questions that have been put and representations that have been made, but I think one common thread runs through almost all of the speeches that have been made on this resolution today.

The hon. member who has just taken his seat, the hon. member for Wellington-Grey, the hon. member for Assiniboia, the hon. member for Dauphin, the hon. member for Mackenzie, the hon. member for Bellechasse, the hon. member for Cardigan, the hon. member for Regina-Lake Centre, the hon. member for Selkirk, the hon. member for Joliette, the hon. member for Simcoe North as well as the very interesting member from Timiskaming referred to the change in the interest rate and objected to an increased interest rate under the Farm Improvement Loans Act.

It is no secret, Mr. Chairman; I do not like high interest rates any more than any other member of this house. But the fact is that under the old statutory limit of 5 per cent for all practical purposes the banks discontinued, their operations under this act long before it expired. Hon. gentlemen, who are familiar with the act, know that bank managers and banking institutions decide to whom they will lend money. The government guarantee was tied in with a 5 per cent interest rate on such loans. The bankers discontinued making loans under the act because interest rates throughout the economy generally rose above 5 per cent. Indeed, in many cases the banks are paying more than 5 per cent to their depositors.

Therefore, Mr. Chairman, the main purpose behind changing the rate from the statutory 5 per cent to some other figure is to make the rate high enough that the bankers will use the legislation to extend loans to the farmers, yet the rate will be below the regular commercial or competitive rate because of the government guarantee.

As one or two speakers today have mentioned, Mr. Chairman, the fact is that some of the larger farmers who are better off can borrow money from the banks right now to purchase farm equipment, though perhaps not on such a long term basis as money borrowed under the Farm Improvement Loans Act. If the credit rating of these farmers is good enough they can borrow money at the going commercial rate or at the best rate offered by the banks. Unfortunately, Mr. Chairman, a farmer who is not considered such a good credit risk is now paying to banks and financial institutions who make loans for the purchase of farm equipment interest rates of 9, 10 and even as much as 12 per cent.

Negotiations are going on with the banks to fix a reasonable maximum rate. As I have said, Mr. Chairman, it will be high enough to

make lending under the act attractive, but still below the regular competitive rate because of the government guarantee. Thus small farmers with not such a good credit rating as some other more prosperous farmers will be able to take advantage of this legislation because of the attractive interest rate, compared with what they are obliged to pay now.

Mr. Horner: Would the minister permit a question on this very point. He speaks of a very attractive rate and of its being below the regular rate. Can he give us some idea what the government guarantee is worth to the farmer? Is it one half of one per cent, one quarter of one per cent or one per cent? Can he give us an idea what formula he will use and what good the government guarantee will be? That is the point we are really worried about.

Mr. Olson: The guarantee is this good, Mr. Chairman. Ten per cent of the aggregate loans under the old act were guaranteed by the government. That was a high enough percentage to give an iron clad guarantee to the chartered banks, who were making loans on a pretty extensive basis, that they would not lose. As far as the larger financial institutions are concerned it is almost a 100 per cent guarantee, but—

Mr. Horner: Mr. Chairman, the minister has misunderstood my question. I want to know how good the guarantee is for the farmers, not the banks. I am well aware how good it is for the banks; it guarantees 10 per cent of the maximum amount lent. But how great a reduction in the interest rate to the farmer does this guarantee bring about? Will the minister concede that it brings about 1 per cent, one half of one per cent, or some other figure?

Mr. Olson: Mr. Chairman, I do not know what the precise rate will be. The banks are lending their own money and they want the rate to be high enough. However I can say this, that for those farmers who are now obliged to pay some finance company or even banks rates of 11 or 12 per cent interest, the government guarantee will be of very substantial benefit.

Mr. Horner: Just one more question, Mr. Chairman. Under the old financial system the usual credit rate from banks was 6 per cent; that was the ceiling on loans to farmers. Under the Farm Improvement Loans Act the rate was 5 per cent. Can the minister assure both this house and the country that under the new system the guarantee to the bank will mean that the rate will be 1 per cent lower than the prime borrowing rate offered by banks without a guarantee?

Mr. Olson: As I was saying, Mr. Chairman, negotiations between the Minister of Finance and the banks are not yet complete, so I cannot say precisely what they will agree is the maximum rate with a government guarantee. But I can say that it will not be 1 per cent or one quarter of one per cent lower, but several percentage points below what some farmers are forced to pay now.

Mr. Horner: I am not talking about machine companies or finance houses but about banks, Mr. Chairman. I am talking about borrowing from banks.

Mr. Olson: I am too. I am convinced the guarantee will be of great advantage to the farmers, and in some cases the rate will be several percentage points below what it is today.

This is the reason, Mr. Chairman, we want to bring back into operation the Farm Improvement Loans Act. It was a highly successful act until general interest rates in the country rose above the statutory limit. I am sure hon. gentlemen opposite know that just as well as I do.

If I may now turn to one or two other matters, Mr. Chairman, the hon. member for Témiscamingue made some very interesting remarks yesterday. He quoted some speeches that I had made in the house in earlier years. However, Mr. Chairman, I can now no longer indulge in the luxury of making positive assertions without responsibility, such as my hon. friends of the opposition.

Mr. Ricard: You did a lot of that in the past.

Mr. Olson: I admit I used to be able to do so, Mr. Chairman, but one of the sacrifices that one has to make on joining the Liberal party is that one can no longer enjoy the carefree days of being in opposition.

• (9:00 p.m.)

Some hon. Members: Oh, oh.

Mr. Horner: Listen to the minister.

The Chairman: Order, please.

Mr. Danforth: Will the minister accept a question?

The Chairman: Order, please. It is obvious that the minister is free to entertain a question if he wishes to.

An hon. Member: Free to entertain?

Some hon. Members: Oh, oh.

The Chairman: But he need not.

Mr. Danforth: Will the minister permit a question?

Mr. Olson: Yes.

Mr. Danforth: Mr. Chairman, I am sure the minister's statements are of interest to every member of the house. Is he trying to say that he is establishing his credibility as a member of the government by destroying his credibility as a member of the opposition?

Mr. Olson: Oh, certainly not, Mr. Chairman.

An hon. Member: That is what you are doing.

Mr. Olson: Exactly the opposite is true. I can no longer indulge in the luxury hon. gentlemen opposite indulge in. Hon. gentlemen may make positive assertions and they know they will not be taken up on their statements. I am in a different position.

Mr. Korchinski: The minister should read his speeches. I quoted from those speeches.

Mr. Olson: I must now reply to some hon. gentlemen who asked me legitimate questions. Perhaps I might reply to others, if there is time.

An hon. Member: You bring on the questions.

Mr. Olson: The hon. member for Wellington-Grey invited me to attend the international plowing match on the 16th, 17th and 18th October, and I thank him kindly. Unfortunately the grains council meeting will be held in Winnipeg on the 16th and may continue into the 17th; then we are to open the new terminal elevator at Prince Rupert on the 18th. As a result I am unable to accept the invitation.

Mr. Horner: Why does the minister not reply publicly to the corn farmers?

Mr. Olson: I shall be doing that at ten o'clock tomorrow morning, and I shall ask the hon. member to be there.

Mr. Horner: Why does the minister not reply to them in this house?

Mr. Olson: The hon. member for Selkirk raised the matter of the contents of chapter 5 in the report of the Economic Council. I say to him that I have made two or three public pronouncements in the press to the effect that I do not agree with all assertions and recommendations in the report of the Economic Council. On the other hand I must say that, on balance, I agree with much of the report. I do not accept assertions that seek to question the relative increase in productivity of our farmers. I think our farmers have done a marvelous job in increasing their productivity, especially when one compares that increase with the productivity enjoyed by other industries in the past few years.

The hon. member for Joliette made interesting comments about agriculture in general, and I shall take those into consideration. I must say that some of his remarks were not specifically related to the subject matter of the resolution before us.

The hon. member for Cardigan suggested that land values are rising and that small loans are not being made in proportion to those rising values. I suggest the record indicates that the sizes of loans granted by the Farm Credit Corporation have increased. The sizes of those loans have not increased more rapidly than land values have increased, and that must be taken into account. It must be remembered that the entire purpose of the Farm Credit Corporation is to create economic farm units. If land values were not keeping pace with inflation and if we were not increasing the sizes of loans, the corporation would not be providing the service it was designed to provide.

The hon. member for Mackenzie quoted to me some of my earlier speeches.

An hon. Member: May I ask a question?

Mr. Olson: Could we save further questions until the end, Mr. Chairman. The hon. member for Mackenzie enjoyed quoting my speeches of several years ago. I thank him for his courtesy, but I must tell him that my answer to him is the same as the answer I gave to other hon. gentlemen some minutes ago.

Mr. Korchinski: The minister spoke differently then.

Mr. Olson: The hon. member asserted that the government is trying deliberately to hurt somebody by amending this act. I say to him

with all sincerity that the government is deliberately trying to help the small farmer by passing this legislation.

Mr. Korchinski: The government is helping corporations, and not small farmers. You are hurting the small farmer; that's what you are doing.

Mr. Olson: The hon. member for Dauphin made some constructive remarks and I appreciate the tone in which he made them. When the hon. member for Bellechasse spoke, the main theme of his speech was interest rates. I think I answered his argument a few moments ago.

The hon. member for Simcoe North tried to impress on the house that the efficiency of the agricultural sector generally in Canada had gone up. That was his argument. If he was trying to convince me, I must tell him he was preaching to the converted. I am convinced that in the field of agriculture we have a proud record of increased productivity, especially when that increase in productivity is compared with increase in other industries.

I must inform the hon. member that the subsidy paid to farmers through the Farm Credit Corporation is to continue for many, many years, whether interest rates change or not. That is, all the contracts that have been let have to be subsidized. The subsidy will be the difference between what the corporation paid for the money and what it was lent at for the duration of the contract.

The hon. member for Prince Edward-Hastings asked for an undertaking that I meet with the members of the Ontario Farmers Union, who are here. I tell him and the house that I intend to meet with them at ten o'clock tomorrow morning. The hon. member ought to know that in slightly over one month I have already met twice with members of the Ontario Farmers Union. He need not try to convince me that a problem exists in the field of corn marketing; I am convinced that there is a problem, and I am trying to find some solutions for it. My proposals are not complete answers; nevertheless I want to take step toward a solution for this serious problem.

The hon. member asked me to stay in Ottawa all day tomorrow. I am prepared to spend one or two hours, or more perhaps, with members of the Ontario Farmers Union tomorrow. Tomorrow night I am to meet the Minister of Agriculture for Alberta in Edmonton, and I can inform the hon. member that the harvesting and marketing problems

out there are as severe as any problems we have in this part of the country.

Mr. Horner: I am sure the farmers will appreciate two hours of the minister's time.

Mr. Olson: We shall discuss in Edmonton various matters that are of primary importance to agriculture.

Mr. Horner: The minister is giving the Ontario farmers two hours. He is breaking my heart.

Mr. Korchinski: The minister might ruin his week end, if he gave them more.

Mr. Olson: The meeting in Edmonton was set up before I knew that members of the Ontario Farmers Union were to be here on Friday, October 4.

The hon. member for Prince Edward-Hastings said that we ought to have introduced improvements to the legislation sooner. Well, Mr. Chairman, we could go on and on talking about the sins of omission and what was not done yesterday. We could go back one month, one year, five years and so on, and spend much time talking about what was not done. You cannot turn the clock back a minute, let alone half a year. It is a complete waste of time to argue and make assertions about what should have been done in the past. Let us turn our attention to what we can do now, and in the future.

• (9:10 p.m.)

Some hon. Members: Hear, hear.

Mr. Horner: Give us an answer—

Mr. Olson: I know that members on this side were anxious to bring in amendments to the Farm Improvement Loans Act away back in February but at that time the hon. gentlemen wanted an election or something.

Some hon. Members: Hear, hear.

Mr. Horner: On a point of order, Mr. Chairman, the statement just made by the minister is absolutely—

Mr. McIlraith: Absolutely true.

Mr. Horner: —incorrect. At no time was it announced in this house back in February that the government wished to proceed with farm improvement loan legislation. Let him refer to the official record, to *Hansard* or anywhere else, and he cannot prove that this

party or the party to my left held up that piece of legislation at any time.

Some hon. Members: Withdraw.

The Chairman: Order. The time allotted to the Minister of Agriculture has expired.

Mr. Olson: Perhaps I could have one minute in which to reply.

The Chairman: There was no point of order.

Some hon. Members: Continue.

Mr. Olson: I really do not wish to irritate the opposition. I wish to close by saying in the most kindly and constructive way that the most beneficial thing we could do at this point in time, regardless of what went on in the past, is to get on with passing these resolutions; to pass resolution No. 7 so that we can bring on the bills right away.

Many hon. members have asked whether we would refer the annual report of the F.C.C. to the standing committee on agriculture. I am willing to do that, provided hon. members will accept as their first responsibility in that committee the examination of the estimates which will also be referred to them. They could then proceed to an examination of the report, which would provide exactly the same opportunity for investigation or study as referral of the bill would have done, except that we would have the bill, and the capitalization of the corporation increased in order to continue the good service it is providing to Canadian farmers.

Some hon. Members: Hear, hear.

Mr. Schreyer: I wish simply to direct a question to the Minister of Agriculture. He has a disarming way of making a pretence of answering certain arguments, but he continually ignores—

Some hon. Members: Order.

Mr. Schreyer: Hon. members can forget about calling for order, because I have the floor.

Mr. McIlraith: You have violated the rules.

Mr. Schreyer: I can take as much time as members opposite are taking to interrupt.

The Chairman: I would ask the hon. member to put his question.

Mr. Schreyer: I was simply trying to lay the foundation for my question. It is members over there who are stalling. I will ask it when I am good and ready.

Some hon. Members: Hear, hear.

Mr. Schreyer: My question is for the Minister of Agriculture. Does he or does he not accept the main thesis of chapter 5 of the report of the Economic Council to the effect that agricultural productivity in Canada has grown at a rate less than half of that in the United States?

Mr. Olson: No; it depends on what space of time one is talking about. I wish I had the figures with me. I have looked at them, though, and I believe that since 1946 the rate of increase in the agricultural sector in Canada has been something like 2.6 per cent whereas in the United States it was 1.4 per cent. So we are gaining. But of course we were farther behind them to start with, so there is still a gap.

Mr. Schreyer: The minister would admit, though, that there is still a great deal of room for improvement in the growth of efficiency in the agricultural industry?

Mr. Olson: Certainly.

Mr. Schreyer: That being so, is it not strange that the hon. gentleman should be asking us to approve a measure which will increase the cost of capital input to farmers, thereby making it more difficult to increase the efficiency of Canadian farms?

Mr. Olson: No. What we are talking about now is resolution No. 5 and I sincerely believe that, however one looks at it, it will lead to an overall reduction in capital cost because of a reduction in interest rates following the reinstatement of the government guarantee.

Mr. McCutcheon: I should like a word of explanation from the minister, if he would be so kind. I think I heard him say there was a subsidy being enjoyed by farmers who had taken out loans from the corporation. My first thought is that money is presently being repaid, and probably going back to the government, which did not cost 5 per cent. Does the minister say there is a large subsidy, or is it small? Or did he not mean that when he spoke about a subsidy?

Mr. Olson: The Minister of Finance, who borrows money for the Farm Credit Corporation to lend it to the farmers, has for several months now been paying more than 5 per cent, the statutory limit. The extent of the

difference between whatever he pays and the 5 per cent rate, has to be considered as a subsidy because this difference is paid out of the national treasury. That is what I mean.

Mr. McCutcheon: Did I understand the minister to say "during the past several months"?

Mr. Olson: From whatever date on which the government paid more than 5 per cent for the money.

Mr. Nystrom: The minister was talking about helping young farmers. This question concerns a great many people in my riding and in western Canada. Does the government intend to provide interest-free loans to help young farmers who are trying to become established in the farm industry? If so, when, and if not, why not?

Mr. Olson: No, Mr. Chairman, no consideration is being given to interest-free loans at this time.

[*Translation*]

Mr. Laprise: Mr. Chairman, I should like also to put a question to the honourable Minister of Agriculture.

Earlier the honourable minister referred to the fact that banks were reluctant to lend money to farmers at the interest rate allowed up to now.

Would the minister not know of another place or another program by which the government could get loans for the farmers at a lower interest rate than that which the banks, at the present time, are able or willing to accept?

[*English*]

Mr. Olson: No, Mr. Chairman, I know of no better place to obtain the money than in the marketplace and the portion which is supplied to the Minister of Finance by the Bank of Canada.

[*Translation*]

Mr. Fortin: Mr. Chairman, I should like to ask the hon. Minister of Agriculture whether in his opinion the Bank of Canada still exists?

[*English*]

Mr. Olson: Yes. The hon. member can look at almost every advertisement the government puts out for new loans and he will find that the Bank of Canada is taking up a substantial portion of them.

[Mr. Olson.]

• (9:20 p.m.)

Mr. Yewchuk: I should like to make a comment and ask a question in this regard. As I see this measure which is being introduced by the hon. Minister of Agriculture, it really is a two-edged sword. I would liken it to the example of a farmer being given a swig from a jug and then being given a whack on his bottom, which knocks the jug out of his mouth. We are giving him credit and then kicking him by raising the interest rate. I wonder whether this really is a solution at all. If he is not to have increased markets for his products, what is the point in his buying more machinery or increasing the size of the plant he runs. I do not believe this is a real solution to the farming problem as a whole. I wonder whether the Minister of Agriculture really thinks this will solve the farming problems.

Mr. Olson: I do not believe the passage of this resolution or all three resolutions and the bills which are to follow will be anywhere near a complete solution to all the problems we have in agriculture in Canada. I should like to remind the hon. member that if he looks around the world he will find that in the United States, in France, in Denmark, in Holland or in almost any place where they have a fairly advanced agricultural economy they have the same kind of marketing problems we have here. I am convinced that our problems are no worse than tnose in these other countries, although some of those countries may have a higher level of subsidy than we have in Canada.

I certainly would not want to mislead the hon. member or any other hon. member into thinking that these measures constitute a complete solution. I do believe however that the Farm Improvement Loans Act is an improvement. I know that there are farmers now who are paying 7 per cent to 12 per cent to the banks for this kind of credit, and if they go to some of the other lending institutions, such as the finance companies, they pay an even higher rate. It is our sincere hope that we will be able to reduce this rate several percentage points below that, with a government guarantee.

Mr. Korchinski: Did I understand the minister to say that the Minister of Finance is presently discussing with the banking fraternity what rate they would accept at the present time; is that the correct interpretation?

Mr. Olson: Not necessarily what rate they would accept, but I think we should have

some discussion with the people who will be lending the money. This includes not only the banks but also the other financial institutions mentioned in the act. After all, it is their money. We do not intend to confiscate anybody's money and say to them that they must lend it at a certain rate. We wish to find a level sufficiently high that they will in fact make loans, but at a rate sufficiently low that the government guarantee is effective. As I have said at least ten times this evening already, I believe that because of the guarantee there is a rate that will be substantially below the present rate that will be arrived at through these negotiations.

Mr. Korchinski: Would the minister not consider amending the bill before he even introduces it in the house, so that it neither suggests the rate be set by order in council nor that it be set by the bankers association?

Mr. Olson: I think perhaps the hon. gentleman is confusing this act with the Farm Credit Corporation act. I believe I am correct in saying that there will be a maximum rate fixed under which the government would make the guarantee under the Farm Improvement Loans Act. So the representatives of the people in the government will have a great deal to say in respect of what the maximum will be.

Mr. Korchinski: That is in respect of the Farm Credit Corporation. What about farm improvement loans? Is that a different situation again?

Mr. Olson: I am talking about farm improvement loans now.

Mr. Schreyer: I do not wish to appear to be vindictive, but I should like to take a couple of minutes to make a few comments concerning the response of the minister. I believe some of us are prepared to concede that the government is somewhat limited in the extent to which it can influence interest rates under the Farm Improvement Loans Act, if that act is to be reasonably effective. Surely however, the minister would agree that there are no similar restrictions on the government in respect of its ability to influence interest rates charged by the Farm Credit Corporation. I should like to ask him whether it is likely that there will be a differential in interest rates under the Farm Improvement Loans Act and those charged under the Farm Credit Corporation act. I think this is a significant point and I believe the minister should indicate to us the intention of the government. Is it feasible, or is it intended, to maintain a differential of some degree?

Mr. Olson: Mr. Chairman, I do not know exactly to what the hon. member is referring. If he is asking whether there will be a different interest rate at which the government would give a guarantee under the Farm Improvement Loans Act and the amount prescribed by the governor in council in respect of the Farm Credit Corporation act, there could very easily be. As I attempted to explain to hon. members two or three days ago, the prescribed rate is somewhat more flexible than an economic rate, because in practice the economic rate has been 1 per cent above what the government expects to pay for money, and the prescribed rate could be exactly the same amount, or lower, depending upon the priorities on the treasury.

I believe this debate could probably better take place so far as the Farm Credit Corporation is concerned when we have Bill C-110 before us. I believe we are now considering resolution No. 5 which concerns the Farm Improvement Loans Act.

Mr. Korchinski: Is there a definite formula the government will be following or will the rate which is to be established by order in council be subject to pressure from without?

Mr. Olson: Mr. Chairman, there may be a definite formula, but as conditions in the country change of course the formula could change. I do not like the connotation the hon. gentleman puts on the word "pressure". This government intends to act responsibly taking into account all the priorities that make calls upon the national treasury and keep the rate within the context of that kind of attitude.

Mr. Skoberg: I should like to ask the minister a question for clarification purposes. In respect of resolution No. 5 it is noted that loans may be increased from $15,000 to $25,000. Would an existing farm improvement loan which now is at the rate of 5 per cent be incorporated in a new loan at the existing rate or at the new rate?

Mr. Olson: I can assure my hon. friend that those are firm and binding contracts. It is supported by the law that 5 per cent was the interest rate at that time and cannot be changed.

Mr. Skoberg: There may be a provision in the law, but have you had any assurance from the banking institutions? I have seen the interest rates change.

Mr. Olson: I think the hon. gentleman should distinguish between demand notes—which is a term used rather extensively now in banking—and term notes. I believe all the previous farm improvement loans were written on term notes. It is a matter of law that the interest rate shall be no more.

[*Translation*]

Mr. La Salle: Mr. Chairman, realizing that Quebec families need the underground drainage I mentioned this week, I wonder if the minister could tell us whether he intends to give particular consideration to this vital matter for the families in Quebec and to allocate funds for this project?

• (9:30 p.m.)

[*English*]

Mr. Olson: Mr. Chairman, I think this is essentially a provincial problem, and I am not sure what the details of their extension is for this particular purpose. I think the F.C.C. has made some loans for land improvements of that nature.

[*Translation*]

Mr. La Salle: The hon. minister gives me the impression of being worried. He tells me that this is a provincial matter. I would like to set his mind at ease by telling him that, in my opinion, Quebec would nevertheless accept a certain sum under a cost sharing agreement.

[*English*]

Mr. Danforth: Mr. Chairman, I feel that what I have to say is relevant in view of the fact the minister dealt with this subject. He was good enough to indicate that he was prepared to meet with the group of farmers coming to see him tomorrow. He also indicated in a press release today, which I have had the opportunity of reading, thanks to the courtesy of the minister, that he will have nothing new to add in respect of the government's policy on this corn marketing situation which exists in—

The Chairman: Order, please. I hesitate to interrupt the hon. member because I know the subject matter of his remarks is important, but at the present time we are dealing with resolution No. 5 on the order paper. I would request the hon. member to restrict his remarks to that subject. We have been wandering to a certain degree in the course of this debate, but I do not think we should stray that far.

[Mr. Skoberg.]

Mr. Danforth: I rise on a point of order, Mr. Chairman. Is the opposition to be restricted to a narrow interpretation of relevancy when the minister has already been permitted to deal with any subject he has chosen? I think this is very unjust treatment afforded to opposition members in the house. We will have to take recourse to other action if we are not allowed the privileges granted to members on the government side.

Mr. Burton: Mr. Chairman, it is not surprising tonight that we have heard some suggestions during this debate that we should not hold up this legislation. We have been asked why we should not let this resolution go through. It has been suggested that we should have the bill presented in order that we can enact this so-called great legislation. It has been suggested that present legislation is accepted. It seems there are quite a number of members who say that we should not argue about what is involved in this legislation, because if this resolution is passed the results will be beneficial. But I suggest that because of what is implied in this resolution we will not have the same measure. The fact is that we will have, as pointed out by some hon. members, an act in force in this country which will not be of great benefit to the agricultural industry. If the proposed measures are brought forward and passed we will no longer be dealing with the same legislation.

I was not sent to Ottawa to sit idly by while some of these provisions were made into law, without speaking on behalf of my constituents and the other people of this country. I see in this resolution the wording:

> —to substitute for the 5 per cent rate of interest on guaranteed farm improvement loans made under the act such rate or rates of interest as may be prescribed by the governor in council;—

I do not intend to stand by idly. If any member here in the house had said at the time of the recent election campaign that a measure such as this, in respect of the Farm Credit Act and the Fisheries Improvement Loans Act was to be passed with provisions for these high rates of interest, that member would not be sitting here now.

The minister referred to the fact that banks had stopped lending after the ceiling was taken off bank interest rates. That is true, and I suggest that the minister and the government must take responsibility for the present high interest rates. It is no wonder that the banks would like to lend less money to farmers as a result of the increase allowed in bank interest rates before this parliament was

convened. The government must accept the responsibility for this situation, but what is it doing? The government is now looking to the farmer, the fishermen, the home owners and the students of this country to pay the whole shot. The government must pay for the irresponsible policies which have been adopted.

The hon. member for Selkirk referred to the Economic Council report. He asked a number of questions when he took part earlier in this debate. The minister has suggested that he did not really accept the report of the Economic Council. This is a very queer statement. If the minister questions the statement made by the Economic Council regarding agricultural productivity he should be prepared to bring forward the facts to refute the claims drawn by that respected body appointed by the government to give advice to the government about the economic conditions we face at this time.

We could argue that perhaps some of the facts suggested by the Economic Council should be modified, but there is one conclusion that cannot be doubted. The productivity of the agricultural industry must be increased. That industry needs more capital. It would be a sound policy on the part of the government to peg the interest rates that the farmers of this country must pay.

The fact is well known that if the farmers have to pay high interest rates, and if there is no reduction in that rate as a result of this legislation, their production costs will be much higher than they can afford. The returns the farmer receives from his production are too low as compared with the interest rate he must pay. The minister has suggested that by this proposed legislation the government is helping the agricultural industry. This is not a measure which will help. If the government wants to help assure a sound and stable agricultural economy, it should reconsider this plan and introduce a fixed reasonable interest rate, such as the 5 per cent interest rate which has been in existence up to this time.

Mr. Danforth: A few moments ago I attempted to ask the minister a question pertaining to some remarks he made about the current corn marketing situation. In your wisdom, sir, you ruled me out of order on the basis that my questions were not relevant. I abide by your ruling, but for the next few minutes I intend to talk about farm improvement loans in relation to the Ontario corn marketing situation. I will show you how this relates to farm improvement loans.

One of the greatest problems facing the Ontario farmers in my area today is the inability to obtain sufficient funds to purchase the necessary equipment required for the successful production and harvesting of corn. One of the problems is caused by the deterioration in the marketing of corn, which is of such an extent that farmers are turning to other sources of income with which to buy machinery. The cost of machinery used in the growing and harvesting of corn is very great because the machinery is of a very specialized nature. The cost of this machinery is somewhat higher than that used in the production and harvesting of other grain crops.

• (9:40 p.m.)

I speak of combines that have special heads. Normally one would expect to pay from $12,000 to $15,000 for a combine, but these special combines cost from $20,000 to $23,000. With expenditures of this kind for the harvesting of corn, there is only one place to which the farmer can turn at the present time for a loan, and that is to the machinery company itself. The machinery companies are taking full advantage of this as businessmen, which they are, but they seem to be charging exorbitant interest rates compared with those formerly applicable in respect of a farm syndicate or a farm improvement loan.

So the farmer of today is faced with the situation that the money must come from somewhere. The policy of the government will not provide him with the money through the sale of his corn crop. The return from this crop is insufficient. Therefore the farmers are forced to march to Ottawa to try to force the government into making a policy statement. These people are unable to obtain the money in the way of a farm improvement loan. When they stand around on the hill and wonder what the government is going to say, through the Minister of Agriculture, they will be very impatient if they find they will have to pay a higher rate of interest because the minister in his wisdom will not add anything to his press release of today. Mr. Chairman, I am sure you can appreciate how this question is directly connected to the matter we are discussing tonight.

Some hon. Members: Hear, hear.

Mr. Horner: His cabinet colleagues have hamstrung him.

Mr. Danforth: I have dealt with the high cost of harvesting equipment. Another piece of equipment that is used very extensively in

the production of high quality corn is the dryer. These dryers take the moisture out of the corn after it has been harvested and then the corn can be stored in common storage. Dryers are very expensive indeed, costing many thousands of dollars.

I believe that farmers will more and more betaking advantage of a farm syndicate loan whereby a group of farmers band together in order to obtain the necessary funds with which to buy equipment, which is most specialized in nature. This type of equipment requires a great deal of financing and the farmers, because of their low returns last year and this year, are finding it even more necessary to turn to government agencies for money.

I hope that in his address tomorrow the Minister of Agriculture will indicate to the farmers that they will not be needing this extra money in the form of loans, that they need not be concerned about an increase in interest rates, that the policy of the government will be flexible enough to stabilize the market, thus putting the farmer in a position to finance his own equipment. This is all the farmers of this country are asking for. This is all they are asking for in connection with farm improvement and farm syndicate loans. They consider these loans as an emergency measure to tide them over this very critical period in corn growing and marketing in southwestern Ontario. This money is required because their costs are increasing month by month and year by year.

I hope the minister and his colleagues on that side of the house are not in a position to understand that the matter is of a critical nature, that there is great concern for the harvest this year, that what the farmers receive from that harvest will in great measure influence the amount of money they will need by way of a farm improvement or farm syndicate loan. It will indeed influence how much money farmers will be seeking from the Farm Credit Corporation to increase their holdings.

I hope, Mr. Chairman, that because of these few remarks you have appreciated that corn has a definite bearing on the resolutions with which we are dealing tonight. I trust Your Honour appreciates that there is a close connection between the two. The matter is in the minister's hands and I am sure he will deal with it in detail tomorrow.

Resolution reported and concurred in.

[Mr. Danforth.]

Mr. Olson (for The Minister of Finance) thereupon moved for leave to introduce Bill No. C-111, to amend the Farm Improvement Loans Act.

Motion agreed to and bill read the first time.

FARM MACHINERY SYNDICATES CREDIT ACT

AMENDMENTS TO BROADEN PURPOSES OF LOANS, ENABLE CO-OPERATIVE ASSOCIATIONS TO OBTAIN LOANS, ETC.

The house resumed, from Wednesday, October 2, consideration in committee of the following resolution—Mr. Olson—Mr. Faulkner in the chair:

That it is expedient to introduce a measure amending the Farm Machinery Syndicates Credit Act to broaden the purposes for which loans may be made under that act; to enable co-operative farm associations and certain farming corporations and other associations to obtain loans under that act without the members or shareholders thereof being required to enter into any other formal agreement; and to provide for other consequential and related subjects.

The Chairman: Order. House again in committee of the whole on a certain proposed resolution amending the Farm Machinery Syndicates Credit Act. Shall the resolution carry?

Mr. Horner: Mr. Chairman, before the resolution carries I would like to say a few words about it. This is the third measure introduced in the house leading us to believe that the interest rate will again be increased. I ask the minister to state clearly whether that is the case. Will the interest rate be increased with respect to farm syndicate loans, too? If so, by how much? What will be the new formula in respect of this measure?

Under the proposed farm credit bill it will be possible for two or more farmers to borrow $100,000. Under the farm syndicate legislation which the Farm Credit Corporation administered seven farmers had to group together to borrow $100,000 and each farmer had to sign a guarantee for the total amount. An individual farmer could borrow up to $15,000 and a group of seven or more farmers could borrow as much as $100,000.

Can the minister give the house some idea of what he thinks the limit should be under the farm syndicate legislation? How large does he think the individual guarantees should be behind which a syndicate must be prepared to stand before a loan is made? We

know that when the syndicate legislation was first introduced into the house it applied to machinery only. Now we notice that it is making loans for buildings. What kind of guarantees does the corporation require for loans for buildings, for example? Chattel mortgages are not necessarily acceptable in some parts of Canada. What is the standard pattern in that regard and what are the proposed changes?

• (9:50 p.m.)

With regard to the matter of buildings, there is one other point which I should like to mention. I read the minister's speech on this whole subject. Would the legislation include feed lot operations, as well as a number of other things in which we see greater development in the agricultural industry, and which will develop still further in the years ahead? What advantage has the syndicates legislation over the Farm Credit Corporation legislation, which is now before the house, in view of the fact that the total amounts are the same in both cases? I would be grateful if the minister could give us a brief run-down on this particular aspect of the resolution.

Mr. Olson: Mr. Chairman, I can understand the hon. member's desire to receive answers to all these questions, and I will answer as many of them as I can. First of all, the rates under the Farm Machinery Syndicates Credit Act are not limited by statute now. They are what are called economic rates, that is a rate which is 1 per cent above what the farm credit corporation pays for the money. There is no intention to change the rates now in existence.

So far as the limits are concerned, it would be far easier if I could deal with this matter when the bill is before the house, and I certainly will. It is not intended to raise the limits appreciably. However, what we are more concerned about, with the limited experience we have now with the farm machinery syndicates bill, is that we would like to change the structure of the entity. Up to now a group of farmers had to form a separate entity or a syndicate, and had to have an agreement. If they were in some kind of a corporation or co-operative, previously this did not satisfy the terms of the act; but now we see no reason, on the basis of our experience, to require them to set up a separate agreement if they already have one.

Second, we believe that buildings which can be used by more than one farmer should come within the scope of the act. This includes the site for the buildings, and other things that can be used by more than one farmer. This was the purpose of the Farm Machinery Syndicates Credit Act in the first place. Now we find there are some rules, regulations and statutory limitations which should really be changed in view of the experience which was gained. However, I would ask hon. members to allow me to deal with these specific questions when the bill comes up for discussion. We have it ready and we will bring it in as soon as the resolution is passed. I wish to say sincerely to hon. members that I will be able to deal with these questions much more effectively at that stage.

Mr. Horner: I am quite agreeable to that, Mr. Chairman, and will let it go at that. However, there is one brief question which I would like to put to the minister. He suggested that 1 per cent above the government borrowing rate is the rate now in operation under the syndicates legislation, and that he does not intend to change this. Can we then assume that this will be the pattern followed by the Farm Credit Corporation?

Mr. Olson: This can only be taken as an assumption, and an assumption is not a positive statement. It may be similar, but I am not prepared to say at this point what the governor in council may do.

Mr. Horner: The two loans are made to similar groups. I assume the minister would not want to charge a different rate of interest in each case.

Mr. Olson: We certainly would not want to charge them any more.

Mr. Horner: In other words the house can assume it will be less than 1 per cent higher than the rate at which the government borrows the money.

Mr. Olson: The house can assume it will be not more than 1 per cent higher than the rate at which the government borrows the money.

Resolution reported and concurred in.

Mr. Olson thereupon moved for leave to introduce Bill No. C-112, to amend the Farm Machinery Syndicates Credit Act.

Motion agreed to and bill read the first time.

Proceedings on Adjournment Motion

CANADIAN NATIONAL RAILWAYS

AUTHORITY FOR CONSTRUCTION OF ALBERTA BRANCH LINE

Hon. Donald S. Macdonald (for the Minister of Transport) moved the second reading of Bill No. C-109 respecting the construction of a line of railway in the province of Alberta by Canadian National Railway Company from the vicinity of Windfall on the Windfall extension to the Sangudo subdivision of the Canadian National Railway in a westerly direction for a distance of approximately 51 miles to the Bigstone property of Pan American Petroleum Corporation and of a connecting spur extending in a northerly direction for a distance of approximately nine miles to the South Kaybob property of Hudson's Bay Oil and Gas Company Limited and its associates.

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

Mr. Aiken: Mr. Speaker, may we have the assurance from the government and from the minister responsible that the bill will be referred to the committee, as is customary with such a bill?

Mr. Macdonald (Rosedale): My understanding is that while it has been the custom to refer C.P.R. bills to a committee, it has not been the general custom to do so with C.N.R. bills. There were some discussions on the other side, particularly comments by the hon. member for Peace River (Mr. Baldwin), that it would not be necessary to make the reference to the standing Committee.

Mr. Aiken: Mr. Speaker, I am not sure that I can speak again, but may I say that I do not believe this was the understanding. In view of this fact, perhaps we should call it ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

CONSUMER AFFAIRS—DANGER ARISING FROM DISPOSABLE BOTTLES

Mr. Max Saltsman (Waterloo): Mr. Speaker, in raising the question I did the other day concerning disposable bottles and the responsibility of the Minister of Consumer and Corporate Affairs to the public in this regard, I believe I am raising an important question with considerable implication to our society. I am pleased to see that the hon. member for Parkdale (Mr. Haidasz), the parliamentary secretary to the minister, is in the house tonight and will be able to convey to the minister some of the arguments I put forward. I urge the minister in this particular case, as he will be urged in other cases, to be the ombudsman for the people and to represent the interests of the public against particular interests in our society.

If there is to be any meaning in the euphonic passage in the speech from the throne, the government can prove it at this point. I may just recall to the house that passage which said that—

> —facilities for the repose of the mind and restoration of the spirit, for sport, and for physical relaxation are and will be of increasing importance to our social environment.

I suggest that unless some action is taken with regard to disposable bottles, which are becoming a curse in our society, there will be very little repose of the mind or of the spirit in our society. These words in the speech from the throne will be hollow and mocking.

• (10:00 p.m.)

The two newspapers in the Waterloo riding have reported on the situation. I should like to quote from the *Evening Reporter* of July 25 in which there is an article which reads:

> If some type of action isn't taken soon, it could not longer be safe to walk barefoot in the park or on the beaches along Puslinch Lake because of broken glass and discarded tin cans.
>
> And each morning, patrols of Hespeler's board of works visit town playgrounds and parks to pick up the shards and slivers of glass.

In the Kitchener-Waterloo *Record* there is an article which reads:

> The program is acute in city recreation areas. It will become acute in rural areas. The bottles are finding their way into pasturefields from roadside. They shatter on contact producing slivers and shards of glass.

In other words, Mr. Speaker, these bottles are becoming a menace to man and beasts alike. The idea of the barefoot boy, so revered in our history and ideology, may very well be a thing of the past. Many public bodies have condemned the use of disposable bottles and I should like particularly to congratulate the city of Kitchener which passed a resolution calling on other municipalities to outlaw their use. This resolution has received a great deal of support from such organizations as the Canadian School Trustees Association, which met in Ottawa; the Ontario Parks Association, which met at

Brantford and the Ontario Mayors and Reeves Association. The last named organization has supported this position for several years.

In fairness I might point out that, to my knowledge, only one municipality, Etobicoke, has opposed this resolution. It should not come as any surprise that the largest manufacturer of disposable bottles is located in that area. The companies making these bottles will argue that they are not the only ones creating problems of pollution or danger to the public. This is probably true. They are not the only ones, but they are one of the significant ones. If it is any satisfaction to them, I think they should be aware that in the battle to clean up our environment and make it more safe, they will not be the only ones on whom attention will be focused.

It is often said—and the disposable bottle people have said it—that, after all, they only produce these things to meet customer demands. I cannot recall staying up nights hoping and wishing that somebody would invent a disposable bottle I could use, nor can I recall many consumers who have. I feel this is one further example of corporate groups in our society promoting and marketing products, not so much because they benefit the public but because they happen to benefit the particular interests concerned.

In this case, I feel we have to distinguish clearly between the interests of the consumer and the interests of private corporations. I believe that those who have foisted this disposable bottle upon the public have done the public a great disservice. I think it is an example of commercial irresponsibility and a piece of arrogance, especially when they say they are producing them to meet consumer demand. To the profit oriented or the lazy in our society, these bottles may be a blessing; but to others who want to clean up our environment, who feel there are higher social priorities, disposable bottles are becoming a curse. It is the classic struggle between private good and public benefit and I hope the consumer department will look after the interests of the public.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, in so far as the non-returnable bottles are concerned, and especially the problem that they create in our communities, I join with the hon. member in deploring the situation. The minister's office has informed me that some time ago they received a resolution passed by the legislature of Alberta asking the Department of Consumer and Corporate Affairs to study and consider the problem created by non-returnable bottles. Since my minister assumed office he has had a number of meetings with his officials on this question, and there appears to be some difficulty in determining the jurisdiction of the department with regard to this problem.

While already there is legislation and some regulations in force dealing with the packaging of food and medicines to ensure purity, and while we in the department are contemplating legislation to deal with the prohibition or regulation of the sale of hazardous products, non-returnable bottles would not appear to fall within either category.

However, Mr. Speaker, in line with the minister's duty to promote and encourage the institution of practices tending to improve protection of the Canadian consumer and to co-operate with provincial governments or their agencies, or with private groups, the minister will be having further talks with his officials and will consider the question of non-returnable bottles, with a view to formulating some type of regulation.

After these departmental talks, it is intended to invite representatives of the manufacturers, the users and the retail distributors of these bottles to Ottawa to discuss the problems and all proposals, as well as to ascertain from these people what they intend to do relative to the problem mentioned by the hon. member.

EDUCATION—AGREEMENT ON GRADE AND SUBJECT STANDARDS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I hope that I can survive these few moments on my feet without being ruled out of order. This will be a rare if not unique experience for me.

About a week ago, Mr. Speaker, I asked the following question which I directed at the time to the Secretary of State, as reported at page 469 of *Hansard*:

> In view of the Canadian School Trustees' recent resolution calling for more uniform education standards across Canada, will the minister give consideration to establishing a national office of education to provide leadership for greater interprovincial agreement on grade and subject standards for Canadian schools?

Now, Mr. Speaker, in asking this question I am bound to go beyond the immediate terms of the question before us; for while greater interprovincial agreement on grade and subject standards might occur, and possibly

already has occurred, without the establishment of a national office of education, perhaps progress toward this end will surely be more rapid under the auspices of such an office.

Certainly there are many education professionals who would disagree with the need for uniformity—and indeed, fear the effects of it—if the term uniformity is taken to mean complete congruency of grade, subject and textbook adoption from one end of the land to the other. I would include myself among those who would be against the establishment of a national office of education if I felt that its inauguration would hobble any imaginative or innovative approach to publicly supported learning.

Uniformity, you see, can only go so far, because an overdose can be stifling and deadly, whether it is within one school, within one province or across a whole nation. Public education historically has been preoccupied with group learning and the supposed efficiency intended to result from improved class or mass methods and techniques. But the results of such preoccupation has been almost uniformly disappointing. That groups learn anything is a misconception, and within this misconception lies the root of the problem. Groups learn nothing. Only individuals are capable of learning, and he, the individual, has often been overlooked by the education industry.

• (10:10 p.m.)

In the long run, Mr. Speaker, what we need is not greater uniformity in our curricular offerings to young people, but more, much more, provision for the multiplicity of talents, interests and needs of each individual student. Just as a hungry man does not want a meal in the long run but immediately, so does the need for more interprovincial agreement on educational standards become, in the short run, an extremely desirable objective. I have little doubt that a national office of education could assist us here.

Certainly, it seems that since our people move about the country from province to province a great deal now, grade 7 in British Columbia should be similar to grade 7 in Ontario. Where does this paucity of educational consensus leave the migrant's child? Course offerings differ widely from grade to grade, and from province to province, with richer provinces and regions in Canada providing enriching optional subjects, and better qualified teachers and the disadvantaged regions tending to be as impoverished in educational opportunities as they are in other ways.

The 13 years of secondary school required by Ontario, for instance, in contrast to the 12 years required in British Columbia, discouraged me from bringing my family to Ottawa this session, since one of my children would face an extra year's schooling here before graduation and the beginning of professional training. Wide provincial variations in university entrance requirements also exist and could benefit from rationalization. I think I have said enough to highlight the educational hodgepodge that already exists in Canada.

A standing committee of ministers of education was established in 1966; there was hope of forming a secretariat in Ottawa; but plans for that seem to have been curtailed. One official of a national educational association commented that it seems to take the council of ministers six months to make one breast stroke. Indeed, a breast stroke, however leisurely, is progress of a sort for provincial representatives who hitherto disdained to get their feet wet in national problems. Therefore, Mr. Speaker, the establishment of a national office of education under the Secretary of State is necessary in order to bring into focus possible solutions to national educational problems which might otherwise languish for years before ad hoc committees of ministers or Canadian education association officials.

I see a national office of education primarily as a co-ordinating body to provide leadership, or a centre, if you like, which would say to the rest of Canada and the world that our national government regards education as one of the most important functions of national endeavour. A national office must be more than a symbol, because federal support for education is a major budget item each year. I have seen in *Hansard* for 1966 that amounts ranging from $250 million to $500 million per year were spent as the federal contribution. Yet the federal government's position in its relations with provinces on educational matters is all pay and no say.

The issue is not whether the federal or provincial governments have the say in education or, according to Professor J. Katz of the University of British Columbia, one as to which governments have the right to represent Canada at international conferences on education, but whether Canadians can afford anything but full co-operation between federal

and provincial governments on all educational matters at home and abroad.

In the United States, where 50 independent, but similar educational systems exist, as opposed to ten in this country, they found it expedient to establish 101 years ago a national office of education. Can we therefore afford to persist in our leisurely approach?

I close, Mr. Speaker, with a plea that we reform the way we handle educational problems at the national level. To support my plea I quote the words of the Prime Minister, in August of last year who, when he referred to his 1956 writings on Quebec education, wrote:

> The consequence was that we had to wait twenty years for the only reform that really counts: education. I agree that reform in education is the only reform that really counts.

It may not be too extravagant to suggest that the structure of education at the national level is roughly equivalent to the irrelevant and unrealistic structure that existed in Quebec 20 years ago in order to prepare the citizens of the province to meet the challenges of the day and the days ahead. The time therefore to establish a national office of education is now.

[*Translation*]

Mr. Robert Stanbury (Parliamentary Secretary to Secretary of State): Mr. Speaker, the hon. member is aware that the Canadian council of ministers of education was created in September 1967. Its purpose is, and I quote:

> —to allow the ministers to have consultation on matters of common interest and to allow full co-operation between provincial governments in common fields of interest in education. The council will co-operate with other educational organizations to promote education in Canada.

The permanent structure of the secretariat and the scope of its field of action are not yet known. Still, the secretariat should serve not only as an instrument for consultation and as the framework for common activity but it should also facilitate agreement on the main points of general policy.

The member may rest assured that the federal government is at the complete disposal of the provincial governments to achieve their objectives in that field.

[*English*]

HARBOURS—ROBERTS BANK, B.C.—REPRESENTATIONS RESPECTING RAIL LINE

Mr. Douglas A. Hogarth (New Westminster): During the sitting of the house this afternoon I asked the Minister of Transport (Mr. Hellyer) what action the government had taken in view of the representations made with regard to the re-routing of the Roberts Bank rail connection. This matter, you will note, Mr. Speaker, has received almost daily attention in this house by way of questions, as well as in our debates, and it is of the utmost concern to those who represent the people of the lower mainland of British Columbia.

The available facts are somewhat meager but it would appear that in 1966 a United States corporation entered into a contract with Japanese interests for the purpose of shipping a substantial quantity of bulk coal from Natal, British Columbia, to Japan. Apparently as a result of negotiations it was agreed that the Canadian Pacific Railway would deliver the coal to a port which the provincial government proposed to construct at Roberts Bank. This arrangement involved the construction of a connecting link between the C.P.R. and the port, and this port was to be constructed by B.C. Hydro, a provincial government authority, financed by the C.P.R.

Early this year the federal government became somewhat apprehensive of the intention of the B.C. government to compete in port facilities on the west coast, and proceeded to construct the port itself under the auspices of the National Harbours Board. About this time concern began to emerge as to the location of the connecting rail link, since it was bound to pass through the lower mainland of British Columbia affecting farm, recreational and urban areas. The chairman of the National Harbours Board is reported in the Vancouver *Sun* to have stated, quite early on, that all the transport facilities in and out of the port would be channelled in one corridor, and went on to say that the lower mainland regional planning board would be consulted. This board is comprised of representatives of 28 member municipalities and is the principal agency involved in the planning of land use in the lower mainland. This planning has extended to the compilation of a short-range and long-range plan for the whole area.

Oblivious of all planning and totally devoid of any contact with the board, the railway chose a route which was completely unacceptable to any of the member municipalities, effectively destroying much of the farmland involved and certainly adversely affecting the recreational areas of that part of the province.

Proceedings on Adjournment Motion

• (10:20 p.m.)

This route could easily have been accommodated immediately to the north, where this devastating situation would not have taken place. The inference remains to this date that the decision was made entirely on the basis of what is good for the C.P.R. is good for the nation. As a result of a multiplicity of complaints, the north mainland planning board held a meeting to which all parties were invited, including the officials of the railways, but no one from the railways even condescended to appear to offer any explanation whatsoever concerning the reason for this route. An overwhelming number of briefs was presented at this meeting totally condemning the chosen route.

The question having been raised in the house, the minister has now taken the regrettable position that the federal government seemingly cannot control the actions of even the federal railway that is involved in this ridiculous mistake. It comes as a surprising shock that this link is not to be declared a work for the general benefit of Canada, in that eventually bulk shipments will proceed over this line from the provinces of Alberta and Saskatchewan. It would appear that the ultimate control of that connecting link will come under the aegis of the provincial authorities and not under the aegis of the federal government, where it should be.

It is equally surprising that the C.P.R. cannot be legislated against in order to prohibit actions of this kind that are so deplorably detrimental to the public interest, and to the interest of the people of British Columbia. It is my respectful suggestion that every available resource of the federal government should be brought to bear to prevent this gross travesty that will go down in history as a classic mistake in urban planning. We are paying dearly for some that have been made many years ago in our province as well as in many other provinces of Canada.

The urgency of this matter arises out of the fact that the commencement date for the construction of this railway is obviously imminent, if the coal delivery dates as published in the press are to be relied upon. My question simply is, what action has been taken to give effect to the representations that have been made concerning the rerouting of this line in a more acceptable and viable location.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I am of course interested in the intervention that has just been made by the hon. member. He has, I think quite rightly, said in summary that the problem here is primarily one of land use and urban planning. As a learned lawyer he is well aware that this is a matter which under our constitution comes solely within the competence of the government of British Columbia, as does the railway which is being built to connect to the port.

Following the representations from members, including those of the hon. members for Burnaby-Richmond (Mr. Goode) and Fraser Valley East (Mr. Pringle), as well as from the lower mainland regional planning board, and based upon their request for information on the reasons for the decisions of the railways to locate the line on the proposed route, I have written to the railways involved in servicing Roberts Bank, and to the premier of British Columbia, to ask that the railways meet with the executive of the planning board to make known the economic and other considerations which dictated the selection of this railway route. Because of the urgency of the situation, I have asked that this meeting be convened at the earliest possible date.

Motion agreed to and the house adjourned at 10.25 p.m.

HOUSE OF COMMONS

Friday, October 4, 1968

The house met at 11 a.m.

AGRICULTURE

IMPORTATION OF U.S. CORN—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I beg leave to move, seconded by the hon. member for Lambton-Kent (Mr. McCutcheon), the adjournment of the house under standing order 26 to discuss a matter of urgent public importance, namely the failure of the government to take appropriate measures to protect the Canadian farmers by preventing the dumping of American corn in Canada at fire sale prices, as well as the government's failure to take action to stabilize prices for Canadian corn producers, resulting in the disastrous collapse of the Canadian corn market.

If Your Honour finds some difficulty in determining the urgency of the matter, I am prepared to debate it at this time.

Mr. Speaker: Order, please. As the hon. member realizes, it is not the urgency of the matter that most concerns the Chair at the moment but the urgency of debate on the matter. I would invite the hon. member to address the house on this limited aspect of the matter.

Mr. Danforth: Thank you, Mr. Speaker. The urgency of debate arises from the subject matter of the motion, which relates to anti-dumping provisions. I am firmly convinced there is no way in which the question of anti-dumping provisions can be debated at this time. It is urgent that the debate take place now because measures would have to be implemented immediately in order to save for the farmers any substantial part of the 1968 market.

• (11:10 a.m.)

A further factor relating to urgency of debate is the fact that only this morning was it fully apparent that the government had absolutely nothing to offer to relieve the disastrous situation in which the corn producers find themselves. Up until yesterday the minister had left the impression that some kind of action would be taken by the government.

That suggestion was completely dissipated today. Now that we know nothing is being done to deal in a practical way with the situation resulting from the dumping of cheap United States corn at fire sale prices, it is up to this parliament to act. That is why the farmers have arrived here today to bring their case to parliament, and I submit, Mr. Speaker, they have a right to have their case heard. On another similar occasion last spring the farmers found the doors of parliament locked in their faces, the only time in the history of this nation that this has happened. I maintain that this is an urgent and an important case nationally, and if parliament is to be once again closed off to the farmers, where are they to turn?

A great principle is involved here, and surely it must be admitted that it is not every day that the deliberations of this chamber are interrupted by the primary producers of this country seeking justice from this house; because that is all the farmers are asking. There is no other way in which this matter can be dealt with, no other way in which the farmers of this country can find justice other than to ask this house to interrupt its deliberations at this time to deal with the question of according them the opportunity to sell their products without interference.

For my part I do not feel the least embarrassment in asking this house to deal with this question now, because it is a question basic to our institutions and to the survival in this nation of the important producing industries which are at the very base and foundation of our economy. I am proud to make this request on behalf of the farmers of Canada. I wish the Minister of Agriculture would join me in my view that parliament would be fulfilling its functions nobly if it interrupted its proceedings now to deal with this very real, urgent and pressing grievance of the farmers of Canada at this time.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to say a few words in support of the request that this motion be allowed, and I do so in terms of its procedural aspects. The citations regarding

the use of standing order 26 are many and lengthy and they have often been put on the pages of *Hansard,* so I shall make only two brief quotations. The first is the first sentence of citation 100(1) in Beauchesne's fourth edition. It reads:

> The definite matter of urgent public importance for the discussion of which a member may ask leave to move adjournment of the house under Standing Order 26 must involve the administrative responsibility of the government.

The motion placed before you by the hon. member for Kent-Essex refers to the dumping of corn in Canada at fire sale prices. When one is asking for something to be done against dumping, this clearly involves a matter that comes within the responsibility of the federal government. The urgency of the matter itself has been demonstrated by the number of times that questions have been asked in the last few days. It is also demonstrated by the presence of the farmers who are affected on parliament hill this morning. But of course Your Honour will bring us back to the point that urgency must apply to urgency of debate. Therefore let me read citation 100 (3), which is as follows:

> "Urgency" within this rule does not apply to the matter itself, but it means "urgency of debate", when the ordinary opportunities provided by the rules of the house do not permit the subject to be brought on early enough and public interest demands that discussion take place immediately.

I draw Your Honour's attention to the fact that two or three efforts were made yesterday to have a discussion of this matter. In the first place an attempt was made to get the Minister of Agriculture (Mr. Olson) to agree to revert to motions so that his statement could be read and the matter could be discussed on the floor of the house in that way. There was not unanimous agreement to this procedure. Later in the day serious effort was made to get the committee to agree to discuss this question of the plight of the corn growers during discussion of the legislation that was then before us.

There was not unanimous consent that this be done, so the chairman of the committee of the whole had no option but to apply the rule of relevancy.

The business for today has been announced. It relates to advance payments for grain, which affect the grain producers in the western provinces. The business for next week has been announced, in accordance with a practice recently instituted. If one looks over the items scheduled for next week one does not find an item under which this problem could be discussed. Frequently Your Honour is in a position where there is a supply motion coming or estimates or something of that nature to which Your Honour can draw our attention. There is nothing of that sort at this juncture. We are therefore faced with the fact that it was not possible to discuss the matter yesterday, it is not possible to do so today and there will be no opportunity to discuss it next week. I feel, therefore, that the motion by the hon. member for Kent-Essex comes within the purview of citation 100, subparagraph (3), and I hope Your Honour will see fit to allow it.

[Mr. Knowles (Winnipeg North Centre).]

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, there is no doubt that the motion of the hon. member for Kent-Essex (Mr. Danforth) is of major interest, not only to the Ontario corn producers but also to the population as a whole.

We are in favour of the adjournment proposed by the motion, and our attitude is justified by the presence on parliament hill of the corn producers delegation who have come to ask some measure of justice in regard to their work.

As a representative of agriculture, I must, with my colleagues, support the motion of the member, and I am happy to do so.

[*English*]

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, many of the points I wish to make in support of the motion have already been covered by the hon. member for Kent-Essex and the hon. member for Winnipeg North Centre. However, there are one or two matters which have not been brought to your attention.

One relates to this question of urgency. Your Honour may assume that while there is no immediate supply motion planned nor are there any estimates to be considered shortly, this question may well be discussed within the next three or four weeks. However, I am afraid that would not be satisfactory because of the United States corn which has been dumped on the markets of the United States and this country by the United States government. This corn is having a depressing effect on the Canadian market. I am reliably informed that corn prices yesterday in Chatham, which is the centre for much of this product in southern Ontario, were $1.05 per bushel, and the price is still falling as it has been falling all week.

It has been pointed out already in this house that the cost of the production of this

item is about $1.22 per bushel. If the price continues to fall at this rate, and if the debate takes place only in three or four weeks, then the farmers will be ruined. There is therefore urgency of debate in connection with this matter now.

There is one other point I should like to mention. Your Honour might very well say there is agricultural legislation before the house. Second reading of some bills will be called shortly, and there will then be a rather broad latitude in debate to discuss agricultural matters. If Your Honour refers back to decisions of your deputy and the deputy chairman of committees, even during the resolution stage when very broad latitude is normally permitted, Your Honour's juniors in office would not permit discussion of this subject.

• (11:20 a.m.)

For that reason, Mr. Speaker, there will be no opportunity to debate this matter at an early stage. If this state of affairs continues for several weeks it will be too late to take any action. Therefore I respectfully submit that there is urgency of debate and that we should deal with this matter today.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I agree that a very serious problem is involved here in view of citation 100, to be found at page 89 of Beauchesne's fourth edition. That citation says that a motion to adjourn the house under standing order 26 must involve the administrative responsibility of the government.

I agree, Mr. Speaker, that import and export control does in fact involve the administrative responsibility of this government. However, I think it would be stretching it a long way to argue that changes in the price of corn in the market place involve the administrative responsibility of this government, notwithstanding the fact that we do recognize that there is a serious problem here.

Paragraph 2 of citation 100 says the matter must be so pressing that the public interest will suffer if it is not given immediate attention. I agree that the matter needs immediate attention, but I suggest to Your Honour that immediate attention has been given and that action has already been taken. The decision was announced yesterday that negotiations would be initiated at once with the United States government to find ways and means of dealing with the problem created by United States corn coming into Canada at distress prices. I am sure all hon. members of the house realize that under our international agreements this is the first essential step to be taken in seeking such a solution.

Paragraph 3 of citation 100 deals with urgency, and this means not urgency of the matter but urgency of debate. Debate should only be had when the public interest demands that discussion take place immediately. I suggest that the action that is essential in seeking a solution to this problem has already been taken, and that any discussion in this house would not immediately add anything to the action already initiated.

However, Mr. Speaker, there is a prohibition in paragraph 5 which reads:

> The adjournment of the house cannot be moved with reference to critical conditions generally prevailing in certain parts of the country.

I should like to couple that with part of paragraph 8 of citation 100, which quotes the Speaker of the British House of Commons as saying in part:

> What I think was contemplated, was an occurrence of some sudden emergency, either in home or in foreign affairs. But I do not think it was contemplated—if the house will allow me to state my views—that a question of very wide scope, which would demand legislation to deal with it in any effective manner, should be the subject of discussion on a motion for the adjournment of the house, because, if that was so, we might have repeated motions made by the opposition of the day, not so much in the direction of censuring the government for action which had been taken or not taken, for bringing to notice some grievance demanding instant remedy, as in the direction of wishing to introduce legislation on some particular subject.

The citation closes by saying:

> That is not the purpose of the standing order—

That has reference to standing order 26.

Mr. Knowles (Winnipeg North Centre): Will the minister permit a question?

Mr. Olson: I suggest that—

Mr. Knowles (Winnipeg North Centre): Will the minister permit a question?

Mr. Olson: After a while—all the action that ought to be taken and that has been taken meets the provisions of standing order 26, and that the government already has moved to take appropriate action to try to deal with this matter. In conclusion I say there is no evidence of the dumping of corn by United States growers in Canada when one considers the usual definition of dumping.

Mr. Horner: The minister has invented a new definition.

Mr. Speaker: Order, please. I hesitate to interrupt the minister, but I must remind him that we are discussing at the moment the question of urgency of debate, and perhaps at this point the minister is going beyond that limit.

Mr. Horner: He is entering into debate.

Mr. Olson: There is one more point I must mention. Hon. members of the opposition have based their argument on the premise that there has been dumping in Canada of United States corn. We have investigated, and we do not believe there is any evidence of corn coming in here and being dumped or sold at prices below the price offered in the United States. If one applies the usual definition of dumping one must concede that corn is not coming into this country at prices low enough to constitute dumping.

Right Hon. J. G. Diefenbaker (Prince Albert): Will the minister permit a question?

Mr. Olson: Certainly.

Mr. Diefenbaker: In view of the minister's explanation, if there is no dumping why did the government belatedly, after knowing for a week that the farmers were on their way, decide officially yesterday that they were going to get in touch with the United States authorities to stop the dumping?

Some hon. Members: Hear, hear.

Mr. Olson: I have a full, complete and comprehensive reply to that question.

Some hon. Members: Oh, oh.

Mr. Hees: It is about as good as the rest of the minister's statements.

Mr. Speaker: Order, please. Is the hon. member for Winnipeg North Centre rising to ask a question of the minister?

Mr. Knowles (Winnipeg North Centre): Yes, Mr. Speaker.

Mr. Speaker: Has the hon. member ascertained whether the minister wishes to reply to his question?

Mr. Olson: Yes, I shall reply.

Mr. Knowles (Winnipeg North Centre): Since the minister read only part of paragraph 8 of citation 100, would he tell us, since it is right in the citation, in what year the decision he relies on was given? Does he not think there may have been some changes since 1894?

Some hon. Members: Oh, oh.

Mr. Olson: I can do that—

Mr. Hees: That is about as up to date as the minister is.

Mr. Olson: I can do that, but I must also remind the hon. member—

Mr. Ricard: You couldn't do anything.

Mr. Speaker: Order, please.

Mr. Olson: I could do that, Mr. Speaker—

Mr. Speaker: Order, please. I think the hon. member's question was argumentative. I think we might move on and have a contribution by another hon. member.

Mr. J. H. Horner (Crowfoot): I wish to address myself briefly to the question of urgency of debate. This morning the question of whether there has been dumping of United States corn in Canada was raised. The minister said to the farmers not long ago, in front of this house, that there was dumping and that he was prepared to take action. Now he says there is no dumping. I say that shows all the more reason for debating this matter fully today.

Some hon. Members: Hear, hear.

Mr. Horner: First, there is evidence in the country today that past policies have failed. Yesterday, when an attempt was made to debate this question in this house we on this side of the chamber were ruled out of order. The minister promised the farmers that he would get in touch with the United States authorities and talk with them about the question of corn coming into Canada. If the government's present policy has failed, and if the minister is to attempt to enunciate new policy to the United States, then surely he ought to be sent to the United States armed with the correct facts and a full knowledge of the problems confronting the farmers of this country.

Today we saw a mass demonstration before this house, and it is sad that our primary producers have to go to such lengths to have their grievance heard. Surely parliament has the right to have its say on this urgent question; surely, Mr. Speaker, this is an urgent question that ought to be debated.

• (11:30 a.m.)

Hon. Donald S. Macdonald (President of the Privy Council): I shall not refer again at this point to the rules or to the relevant citations in Beauchesne; I intend to confine my remarks to the question of urgency of debate, and point out that there are in fact several opportunities for this important question to be discussed by the house.

Hon. members opposite have debated whether or not this involves dumping. I call attention to the fact that there is presently on the notice paper a motion to refer the anti-dumping white paper, which could come forward for discussion next Monday. There will be full opportunity then to discuss this subject. If hon. members opposite wish, I am prepared to call the motion next Monday to allow this particular subject to be discussed.

Mr. Horner: Call it today.

Mr. Macdonald (Rosedale): I would point out to the hon. member for Crowfoot that it was placed on the order paper only last night, and I think we should abide by the rules.

Mr. Horner: By unanimous consent it could be called.

Mr. Macdonald (Rosedale): The hon. member for Winnipeg North Centre referred to the fact that yesterday I set out the business to be dealt with during the coming week. I do not like to mention discussions outside this chamber with other hon. members, but I am sure the hon. member for Winnipeg North Centre will agree that there is a supply motion available under the arrangements we have established for dealing with supply this fall. Whether the supply motion should come forward at an early date, that is in the coming week, is a question which was left to hon. members opposite. I repeat that if hon. members opposite wish to have a supply motion called on Monday I would be pleased to change the order of business which I set out yesterday in order to make possible the debate on supply to which the opposition has a right under the procedure we have established.

Apart altogether from the opportunities for debate available in the house as a whole, the government has stated its intention to refer the estimates of the departments generally to the standing committees. As I have already indicated to members of the opposition, if they choose to use the supply days in the house to discuss the estimates of any department the government is prepared to agree, and we can call the estimates of the Department of Agriculture in the near future. In fact, not only do we have the three opportunities for debate in the house which I have mentioned, but if the house chooses to refer the estimates of the Department of Agriculture to the standing committee on agriculture there will be an early opportunity to consider the estimates in that committee and deal with this subject, as soon as I receive from parties opposite the list of those they wish to be appointed to the standing committees, enabling the committees to be set up.

I therefore submit there will be plenty of opportunity in the near future for this question to be dealt with both in committee of supply and in the standing committee. If the opposition wishes I am prepared to call the supply motion for Monday, when hon. members will have full opportunity to discuss this question they would like to deal with, and have it debated fully.

Mr. Baldwin: That is an admission it is urgent.

Hon. D. S. Harkness (Calgary Centre): The Minister of Agriculture advanced two arguments by means of which he attempted to show that there is no urgency of debate as far as this subject is concerned. I submit that both arguments are fallacious.

The first and most important point he made was that any action which could be taken had already been taken. This is simply not the case. There are several other forms of action which could be taken to relieve this acute situation faced not only by corn growers but by other producers.

First, an embargo could be imposed. This is a form of action which might well be discussed in this chamber today. Second, the government could enforce measures of import control, another form of action which might be discussed here today. A third form of action which could be taken would be to place corn under the provisions of the stabilization act and announce a stabilization payment. This approach too could be discussed. These are three measures by which this urgent situation could be met. They all require discussion, yet the minister has insisted that all the action which could be taken has already been taken. His argument falls to the ground.

The second argument advanced by the minister, as I understand it, was that this is more or less a local matter. In fact the importation of corn in large quantities will have a

serious effect on all grain producers not only in eastern Canada but in western Canada. It will also have serious effects upon livestock production and marketing.

The President of the Privy Council said a supply motion could be called on Monday. What he is attempting to do is this. He is attempting to dictate to the opposition the form of supply motion they should introduce. He is saying in effect "This is the form of supply motion you must use if you wish to discuss this matter at all".

Mr. Baldwin: There will be half a dozen more emergencies by Monday.

Mr. Harkness: I contend that the time to discuss this subject is now, and that there is no other opportunity available in the immediate future unless we find ourselves in the position that we must use our supply motion for the purpose, and we only have one this session.

Mr. Speaker: Order. I am prepared to give a ruling now, if hon. members will allow me. I gather the hon. member for Edmonton West is seeking the floor.

Hon. Marcel Lambert (Edmonton West): Yes, Mr. Speaker, I wish to deal specifically with the arguments put forward by the President of the Privy Council. I suggest to Your Honour that those arguments are an attempt to frustrate the purpose of standing order No. 26. If we accept the proposition he advanced, the remedy available to this house under that standing order can be neutralized simply by the existence within the rules of the possibility of calling the estimates of a particular department or of utilizing a supply motion.

This has never been contemplated. If we follow the argument of the President of the Privy Council we might as well wipe out standing order 26. Opportunities for discussion on estimates and supply motions do exist, but it was never in the contemplation of this house that they should be utilized as a substitute for what may be done under standing order 26. This is the point I would direct to Your Honour's attention.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I merely wish to comment briefly on the debate in progress.

Like many other members, I believe that a good government must, above all, show foresight. Therefore, I feel that the demonstration going on this morning on parliament hill is due to the fact that the government did not foresee the present agricultural crisis. The leader of the house suggests that we wait till next Monday to discuss the matter. I wonder why we could not do it now, seeing the farmers are here—I expect they will not be here on Monday and, therefore, they will be unable to witness the debate.

That is one of the reasons why I feel that we should start the debate immediately on the present crisis.

[*English*]

Mr. Speaker: Hon. members know it is always extremely difficult for the Chair to reach a decision in the case of a motion under standing order 26. Very strong arguments are normally put forward, as they have been today, for the granting of the motion; and strong arguments are advanced—as is also the case this morning, I suggest—against the granting of such a motion. The Chair has the responsibility to weigh one against the other in the light of the precedents and the citations. In my view citation 100(3) is very much to the point:

• (11:40 a.m.)

"Urgency" within this rule does not apply to the matter itself, but it means "urgency of debate," when the ordinary opportunities provided by the rules of the house do not permit the subject to be brought on early enough and public interest demands that discussion take place immediately.

I have the impression, in spite of the interpretation placed on the rules by the hon. member for Edmonton West, that when there is an opportunity provided, then the rule should not be applied. The President of the Privy Council has referred to opportunities during the coming days, such as the supply motion. I know there is some difficulty, and I recognize the objection which has been advanced by the hon. member for Edmonton West. I gather there is also a possible vehicle for discussion under the item of business standing in the name of the President of the Privy Council to which the minister has referred.

I would think that because of these opportunities in the very near future it would be very difficult for the Chair to allow the motion, although the matter might be reviewed later on; but for this morning, and in view of the statement of the President of the Privy Council, I cannot see my way clear to accepting the motion of the hon. member.

REQUEST FOR REPORT ON MEETINGS WITH ONTARIO FARMERS

On the orders of the day:

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, may I be permitted to address a question to the Minister of Agriculture. Will the minister give a report to the house on his meetings with the delegation of Ontario farmers this morning; and will he state what undertakings, if any, he gave to those farmers on action with respect to the grave problems faced by the Ontario corn growers?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, but under the rules I will not be able to make as long a reply as I would like. Just a few minutes ago we had a very satisfactory meeting with the Ontario corn producers who are here protesting against the decline in the prices received for their corn in Ontario. I think it was an exchange of views that was useful both to me, as the representative of the government and to the members of the union.

I gave an undertaking that we had initiated action, and that we were going to pursue it immediately, to make sure there was no corn coming into Canada below the United States support level. At what price that level is, is something we intend to argue. It is not all that clear because of the very complex way in which the United States pays subsidies to its corn producers. But without transgressing the rules of this house, Mr. Speaker, I think it was a useful meeting.

There were suggestions made in other areas to which we made a tentative reply, and they will be under investigation and future study. There will be an additional response later.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, arising from the minister's statement that he intends to meet with United States officials on this matter, will he say whether the government will impose a temporary embargo on some classes of corn coming into the country to prevent a further fall in the market price?

Mr. Olson: Mr. Speaker, the hon. member for Oxford knows probably better than most members of this house what our obligations are under our international agreements, and I am sure he will be the first to recognize that we have taken the most useful appropriate action within the bounds of the agreements Canada has signed.

Mr. Nesbitt: Will the minister not agree that this same kind of action was taken with respect to the importation of turkeys a few years ago?

Mr. Ed Schreyer (Selkirk): As a supplementary question, Mr. Speaker, I would like to ask the Minister of Agriculture whether in addition to the undertaking to discuss this problem with the United States department of agriculture the government intends to take any concrete action besides discussions?

Mr. Olson: The first step, Mr. Speaker, is to discuss.

NATIONAL DEFENCE

NATO—U.S. REQUEST FOR MAINTENANCE OF CANADIAN FORCES

On the orders of the day:

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I have a question for the Secretary of State for External Affairs but in his absence I will address it to the Prime Minister. Has the government received a note from United States Secretary of State Dean Rusk calling on the Canadian government in rather blunt terms to maintain its present troop strength and nuclear capability in Europe; and will the Prime Minister say whether the note from the Secretary of State will receive a formal reply from the government of Canada?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I think this same question was answered a few days ago by the Secretary of State for External Affairs.

Mr. MacLean: I do not recall that it was, Mr. Speaker, but I would like to address a supplementary question to the Prime Minister and ask whether he can confirm that he discussed the role of NATO in Europe during his talks with the Prime Minister of France earlier this week, and would he indicate to the house the nature of those discussions?

Mr. Trudeau: Yes, Mr. Speaker. In our review of international affairs we did discuss the problem of NATO, France's relation to it, and the view of the French government on the happenings in Europe which have some bearing on NATO.

Mr. MacLean: As a further supplementary question, Mr. Speaker, does the Prime Minister contemplate having similar discussions at an early date with the governments of some of our other NATO allies, such as the United States, on this same subject?

Inquiries of the Ministry

Mr. Trudeau: Mr. Speaker, the Secretary of State for External Affairs is in New York, and I am quite sure it is contemplated that there will be informal meetings there of NATO member countries to discuss these problems. I am not quite sure of the agenda, but I have heard the Secretary of State for External Affairs say that he intended discussing NATO problems with them.

Mr. MacLean: Mr. Speaker, I wish to direct a further brief supplementary question on this important subject to the Minister of National Defence. Would the minister say whether reconsideration is being given to the government's announced policy of closing the Canadian forces base at Zweibrucken in Germany, which closing is to take place next summer?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, this problem, like most of the problems concerning national defence, is under review.

[*Translation*]

AGRICULTURE

MILK—REQUEST FOR MORE EFFICIENT METHOD OF SUBSIDY PAYMENT

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to put a question to the hon. Minister of Agriculture.

In view of the numerous complaints we have received concerning the payment of subsidies to industrial milk producers, does the Minister of Agriculture intend to contact the data centre with a view to finding a more efficient way of distributing subsidies to the parties concerned?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): I am sorry, Mr. Speaker, my attention was diverted for a moment. I wonder whether the hon. member would mind repeating his question.

[*Translation*]

Mr. Laprise: I would like to ask the hon. Minister of Agriculture whether, following the numerous complaints we receive from our constituents, he intends to make representations to the data centre in order to find an efficient way of paying subsidies to the producers of industrial milk.

[Mr. MacLean.]

[*English*]

Mr. Olson: Mr. Speaker, we already have a reasonably satisfactory means of distributing quotas to industrial milk producers. This is under review, but by and large it is generally accepted by the dairy producers of Canada as reasonably satisfactory.

[*Translation*]

Mr. Laprise: Mr. Speaker, I should like to put a supplementary question to the hon. Minister of Agriculture.

In his opinion, can a delay of three months in the payment of subsidies be considered an efficient system?

[*English*]

TRANSPORT

PRINCE EDWARD ISLAND CAUSEWAY—REQUEST FOR STATEMENT OF INTENTION

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to ask the Prime Minister a question concerning the Prince Edward Island-New Brunswick causeway. In view of the great concern in Prince Edward Island, obviously shared by Premier Campbell, regarding this project, will the Prime Minister or the Minister of Public Works make an early and full statement to the house about this very important matter so the people of the area can realistically plan their future economy rather than leave any uncertainty?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, there is nothing to add to what the Minister of Transport stated to the house yesterday.

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to ask the Prime Minister whether this very important project is being considered purely on its merits, or is the announcement of an unfavourable decision being delayed pending the preparation of a suitable booby prize for Prince Edward Island?

DOMINION-PROVINCIAL RELATIONS

REPORTED STATEMENT RESPECTING CONTINUATION OF SHARED PROGRAMS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of the speech he made at Calgary the night before last, in which he said the government was looking

for programs which have served their purpose and might be discontinued, can he indicate to the house which programs the government has in mind either for discontinuance or for cutting down so far as the amount of money involved is concerned?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I was stating a general principle that I am sure the members of the opposition would agree with; that we have to discontinue programs which we do not find up to standard. We gave an example of such programs when we discontinued the winter works program.

Mr. Knowles (Winnipeg North Centre): As a supplementary question, since the Prime Minister referred in his speech to the Canada Assistance Plan and programs like that, are they due for discontinuance?

Mr. Trudeau: I think the hon. member is in error, Mr. Speaker. I do not believe I referred to the Canada Assistance Plan. I did refer to all the social security, health and post-secondary education programs in general, and I did indicate that we were trying to find means of promoting greater economy in the application of all plans.

Mr. Knowles (Winnipeg North Centre): May I just remind the Prime Minister, Mr. Speaker, that on page 4 of the text which was issued from his office there is a reference to the Canada Assistance Plan.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I direct a supplementary question to the Prime Minister. Do I gather from his remarks that it is not the intention of his government to increase old age pensions for those people in need, and pensions for veterans and other such people in need?

Mr. Speaker: The hon. member for Abitibi.

Mr. Woolliams: Mr. Speaker, I think the Prime Minister wanted to answer that question according to the just society, and these people are certainly just in need.

[*Later:*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in view of the absence of the Minister of Finance I should like to ask the Prime Minister if he can advise the house whether the government received a formal warning from officials of the Ontario government earlier this year that federal forecasts were gravely underestimating the total cost of the post-secondary education and hospitalization programs?

Mr. Trudeau: Mr. Speaker, the Minister of Finance will be here on Monday.

An hon. Member: This is his day off.

Mr. Trudeau: These matters are dealt with by the Treasury Board. Perhaps the President of the Treasury Board has a statement to make.

Mr. Lambert (Edmonton West): Mr. Speaker, is the President of the Treasury Board in a position to advise the house whether such a warning was received?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I have seen the newspaper article which I think gave rise to this question. It is a long and complicated one. I was assured some time ago that we were not in receipt of any formal communication, but I am having another check made.

Mr. Lambert (Edmonton West): In the event that formal representations were received is the minister prepared to table them prior to the budget debate?

Mr. Drury: Mr. Speaker, formal communications between governments are, of course, subject to privilege. If indeed there were any I will look at them to determine whether they are privileged.

Mr. Robert Thompson (Red Deer): Mr. Speaker, my question is related to the questions regarding shared programs, and I address it to the Prime Minister. In view of his statement to the annual conference of Chamber of Commerce of Calgary the other day regarding cutbacks in government spending, can the Prime Minister inform the house whether he intends to go ahead with the medicare program which is expected to cost half a billion dollars in its initial year?

Mr. Trudeau: Mr. Speaker, as I have said before and now repeat, we are endeavouring to have federal-provincial meetings of ministers of finance and ministers in other areas of administration such as health and welfare to discuss all open ended programs. I refer to programs which are determined by statute and the spending on which cannot be controlled or perhaps even foreseen with accuracy. This proposition for federal-provincial meetings is now being forwarded.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, in connection with this careful review of the scope of a just society and the paring down of expenditures, what

has the Prime Minister to say about the galloping increase month by month of the cost of the arts centre in Ottawa? Is this being looked into, and can the Prime Minister explain how the initial expenditure of about $15 million will now amount to an expected $54 million?

Mr. Trudeau: Mr. Speaker, I do not think the right hon. gentleman would expect us to discontinue this particular project in the name of a just society.

Mr. Diefenbaker: If that is so, why will the Prime Minister not give assurances in respect of social programs which affect the average Canadian by saying those programs should not be reduced?

Mr. Trudeau: Mr. Speaker, I can not for the life of me see how it would help these poor people by knocking down this arts centre or terminating this project at this stage.

Mr. Diefenbaker: We are not trying to knock down the arts centre; we are trying to knock down the Prime Minister to give us some information.

[*Later:*]

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question I would like to address to the Prime Minister related to his address to the Canadian Chamber of Commerce in Calgary yesterday. Can he say whether his announcement of government policy to cut back on certain programs for economic reasons included the present very stringent criteria applying to student loans? What was his reply to student demands at Regina on Wednesday?

Mr. Trudeau: Mr. Speaker, my reply was that students were not the most unfavoured class of our society and that all the amounts that had been set aside for loans by the federal government had not been taken up in past years. I said there was a greater supply of money for loans than had been demanded.

Mr. George Muir (Lisgar): May I ask a supplementary question of the Prime Minister related to his address in Calgary in which he referred to the extra attention being given to research in the business field? Will the Prime Minister assure the house that this extra attention to research will include the agricultural sector of the economy?

Mr. Trudeau: The Department of Agriculture is spending a great deal of money on research.

[Mr. Diefenbaker.]

Mr. Muir (Lisgar): Not enough.

Mr. Lorne Nystrom (Yorkton-Melville): May I ask a supplementary question? Has the government received a request from the government of Saskatchewan for increased assistance for university student loans? If so, what action has been taken on this request?

Mr. Trudeau: Last summer, Mr. Speaker, I believe the Minister of Finance received a letter concerning this matter. The Minister of Finance replied that he would make sure that adequate funds were available in view of the increased demands by students in Saskatchewan for loans. These amounts were forthcoming. The house should know that over $6 million, I believe, was lent to students last year at the University of Saskatchewan and that to something like 7,200 students.

Mr. J. Edward Broadbent (Oshawa-Whitby): May I ask a further supplementary question? In order to meet increasing costs, both in the area of student loans and other welfare measures which so obviously concern the Prime Minister, is he giving consideration to the early introduction of a capital gains tax to defray some of these costs?

Mr. Trudeau: The Minister of Finance will deal with all the forms of taxation which we contemplate in his budget speech.

PENITENTIARIES

SUGGESTED CONSIDERATION BY HOUSE COMMITTEE

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to direct my question to the Prime Minister in view of the absence of the Solicitor General who, as a result of his crystal ball, left the chamber five minutes before I could ask my question. Will the Prime Minister indicate whether, in view of the government's decision not to re-establish the all-party joint Senate and House of Commons committee on penitentiary construction and policy, consideration will be given to referring the matter to a standing committee in order that this committee work can proceed? This is of great interest to the members of this house and of the other place.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I will have to ask the Solicitor General to take this question as notice. It seems a reasonable suggestion.

ADMINISTRATION OF JUSTICE

REQUEST FOR INQUIRY INTO ORGANIZED AND SYNDICATED CRIME IN CANADA

On the orders of the day:

Hon. John N. Turner (Minister of Justice): Mr. Speaker, yesterday the hon. member for Calgary North asked me whether I had received any request from the attorney general of the province of Quebec to set up a royal commission to examine the spreading of crime across the nation.

The answer to that question is no, the minister has not received any request from the province of Quebec to set up a royal commission. The hon. member will perhaps recall, as will the house, that on January 6 and 7, 1966, a federal-provincial conference of attorneys general on organized crime was held in Ottawa. As a result a committee was established of members from the attorney general departments of Ontario and Quebec to study this question of organized crime.

I think the hon. member will also recall that this committee published a report in August of 1967 recommending the establishment of a new central intelligence mechanism called the Canadian criminal intelligence system with headquarters in Ottawa. That system has been established with offices in all the provincial capitals except in Quebec. I understand they are still working on this problem.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, has the minister suggested or asked that the R.C.M.P. work in co-operation with the police forces of the urban centres in Canada in relation to organized crime which is now rampant across the country?

Mr. Turner: Mr. Speaker, the Solicitor General speaks on behalf of the mounted police, but I can say from experience that the R.C.M.P. are in constant co-operation with provincial and municipal police forces in this country.

EXTERNAL AFFAIRS

REPORTED STATEMENT ON REGULATION OF MULTI-NATIONAL CORPORATIONS

On the orders of the day:

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I should like to address a question to the Prime Minister. Will he tell the house whether the Minister of Justice was stating government policy when in a speech to the American real estate counsellors he said that nations should surrender some of their sovereignty and jurisdictional control to an international commission which would regulate multi-national corporations?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, there is no definite government policy to surrender sovereignty. But I should say that personally I think—

Some hon. Members: Oh, oh.

Mr. Trudeau: —this government is inclined more to institutions which are broadly international rather than toward nationalistic approaches.

Mr. Baldwin: Like NATO.

Mr. Harkness: A supplementary question, Mr. Speaker. In view of the fact that the Minister of Justice stated that the place to begin is in Canada-United States economic relations, will the Prime Minister say whether any discussions have been held with United States officials on this subject?

Mr. Trudeau: I know of no such discussions, Mr. Speaker, but I must say it sounds like a very good idea.

AIR CANADA

INQUIRY AS TO APPOINTMENT OF PRESIDENT

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a question to the Prime Minister. Is it the intention of the government to proceed with the plan of the Minister of Transport to appoint as president of Air Canada a man whose only qualification for the job is service to the Liberal party?

Some hon. Members: Oh, oh.

Hon. Paul Hellyer (Minister of Transport): I recommended you, George, but they wouldn't do it.

[*Later:*]

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Minister of Transport with respect to Air Canada. Has the government received the report from the investment experts on the reorganization of Air Canada, which was referred to twice last year?

Mr. Hellyer: Mr. Speaker, I am not sure exactly to which report my hon. friend is referring. A considerable number of studies

have been made regarding the problem of financing the national air carrier, and these are under review at present to decide how best to finance the requirements of Air Canada both in the short and the long range.

Mr. Bell: As a supplementary question to the Prime Minister may I ask him if he would hold up any major changes in the executive structure of Air Canada until these reports are received?

Mr. Speaker: The hon. member for Fundy Royal.

Mr. Bell: Mr. Speaker, I will rephrase my question because I think it is extremely important.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Transport just said he was not quite sure which report was referred to by the hon. member. I cannot promise to hold up decisions for which the opposition is pressing until these hypothetical reports which we cannot identify have been received.

Mr. Bell: Does the Prime Minister not feel that any new appointments of political hacks to Air Canada would greatly prejudice its rights as a public body?

Mr. Speaker: Order, please.

DOMINION-PROVINCIAL RELATIONS

CHURCHILL, MAN.—NEGOTIATIONS ON DEVELOPMENT OF TOWN SITE

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, has the Prime Minister taken any steps to meet with the premier of Manitoba in relation to the pressing problems of the development of the townsite of Churchill, Manitoba?

Right Hon. P.-E. Trudeau (Prime Minister): Yes, Mr. Speaker, I did have a meeting with the premier of Manitoba some weeks ago. It was followed up by some letters, and action is being prepared in our government departments.

Mr. Simpson: A supplementary question, Mr. Speaker. In view of the fact that I understand this meeting took place prior to September 12, has the Prime Minister yet replied to the letter of the premier of Manitoba dated September 12 asking for a meeting so this matter could be expedited?

Mr. Trudeau: I believe I have, Mr. Speaker, but I will check and confirm it.

[Mr. Hellyer.]

BROADCASTING

ACTION BY COMMISSION RESPECTING PRIVATE STATION PROGRAMMING

On the orders of the day:

Mr. Barry Mather (Surrey): Mr. Speaker, I have quite a pleasant question to address to the Secretary of State. Would he express appreciation to the C.R.T.C. for its very firm action, as reported today, in encouraging private stations in Canada to live up to a reasonable standard of programming?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am willing to give this message to the C.R.T.C., just as I am ready to communicate the views expressed by all hon. members.

TRADE

PLUTONIUM—INQUIRY AS TO PRICE PAID BY FRANCE

On the orders of the day:

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I should like to direct a question to the Minister of Industry, Trade and Commerce. Could he tell us what price per gram we obtained for the plutonium sold to France?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, this question should be directed to the Minister of Energy, Mines and Resources, who is not here at the moment. Out of curiosity I inquired about this. The sale was made under an agreement of a confidential nature between Atomic Energy of Canada Limited and the Commissariat de l'Énergie atomique de France.

[*English*]

[*Later:*]

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. Does the recent sale of plutonium to France indicate an improved atmosphere for sales of uranium to that country?

Mr. Pepin: Mr. Speaker—

Mr. Speaker: Order, please. It seems to me that the question as asked is perhaps a little too general.

HOUSING

STATEMENT ON 1968 BUILDING PROGRAM

On the orders of the day:

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I wonder whether I might have leave of the house to revert to motions in order to make a brief statement on housing.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Hellyer: Mr. Speaker, hon. members already know that 1968 will be a record year for housing in Canada.

Some hon. Members: Hear, hear.

Mr. Hellyer: The original estimate of 175,000 new housing starts in all areas in Canada is now virtually assured, and there is every prospect that the final figure will be close to 185,000. However, distribution of new housing starts as between rental accommodation and single family dwellings for home ownership continues to cause concern. Multiple dwelling starts for the first nine months are 26 per cent higher than the comparable total for 1967, whereas the rate for single family dwellings is 8.4 per cent less than 1967.

The original estimate of housing starts for this year was based on the expectation that 100,000 multiple housing units for rental purposes and 75,000 single family dwellings for home ownership would be started in 1968. There would appear to be a very real possibility that single family dwellings started will fall short of 75,000 units and that multiple housing for rental purposes may exceed 100,000 housing units.

In order to alleviate the shortage of family accommodation, Central Mortgage and Housing Corporation has been authorized to make, from within its capital budget, $170 million available for commitments for home ownership dwellings during the balance of the year. This represents 9,000 units of new construction in the form of single family dwellings and condominium together with 2,000 loans on existing dwellings. It is estimated that of the 9,000 proposed commitments for single family dwellings approximately 3,000 will be for individual home owners. The remaining 6,000 units will be available for merchant builders.

Effective October 7, Central Mortgage and Housing Corporation will accept applications for loans from merchant builders, without a presale requirement. These loans will be distributed across the country on an equitable basis with emphasis on houses of moderate cost.

In addition to the favourable employment results, this program together with the increased activity of institutional lenders will go some way to restoring the balance between rental and home ownership homes.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in so far as the first page of the minister's statement is concerned, it is a Tweedledum and Tweedledee proposition because he has quoted statistics which show a shortfall on the estimate for single family dwellings and an excess in respect of apartments. I am sure there are good and valid reasons for this. One reason is that mortgage institutions are preferring to obtain a higher return from apartment buildings as against single family dwellings. With regard to the 9,000 units that are now to be the subject of, shall we say, direct loans from the corporation, I do not see why this program could not have been started much earlier.

This statement will afford poor satisfaction to the many people who are seeking homes at moderate cost. Of course, the minister did not speak about the interest rate, but we have a pretty good idea what it is. If these homes are to be available some time in the spring, this of course does not mean anything until we study the availability of land services. This government has cancelled the winter works program and work which would have been carried out under the program is not going forward. This will cause the municipalities great difficulty. Naturally we welcome an increase in the availability of homes, but I wonder whether this is part of the minister's program which he calls "housing is living".

Mr. John Gilbert (Broadview): Mr. Speaker, the minister said that this will be the peak year for housing starts in Canada. When he said that I thought he would also say that this is the peak year for interest rates on homes in Canada. The action of the government is too little and too late and I think it is a cover-up for the bad publicity the task force has been receiving of late.

The minister says that the estimate is 185,000 housing starts this year. He must remember that the Economic Council of Canada said that 200,000 units should be completed in one year, 190,000 new units and 10,000 units to replace older homes. One has to consider the shortfall in housing in the last few years, and the objective of the government should be at least 250,000 units to take care of the shortage in those years. In 1965 we had 165,000 units,

in 1966, 134,000, in 1967, 160,000. This indicates a shortage of 140,000 homes in three years, and the target that has been set of 185,000 falls short of the estimated 250,000 required to take care of the slack in those years.

• (12:10 p.m.)

The direct reason for the slack in housing has been the philosophy of the government which has depended on private builders to take care of the single dwelling homes while the government took the initiative with regard to the public and low cost housing. This deliberate policy of the government has failed. The reason it has failed is apparent in the statements of the minister with regard to consultations with the insurance companies and banks in the latter part of the summer and the statements of the builders that they have not been able to obtain loans for housing.

The lack of action by the government with regard to high interest rates and the removal of the sales tax, its lack of action with regard to the imposition of rental controls even though the city of Ottawa requested them to meet exorbitant rents, and the lack of action by the government with regard to the establishment of a ministry of urban development indicates—

Mr. Speaker: Order, please. I have to interrupt the hon. member in order to remind him that according to the standing order comments made on ministerial statements should be brief.

Mr. Gilbert: I am about to complete my statement, Mr. Speaker. As I have been saying, the lack of action by the government with regard to the establishment of a separate ministry of housing and urban development and its lack of action in all the other fields I have mentioned indicate the reason that we are having a serious housing crisis in Canada today and will continue to have in the future.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, at first sight, the statement which the Minister of Transport (Mr. Hellyer) has just made about the problem of housing and the possibility of 187,000 new housing starts, compared to an expected high of 175,000, makes me happy.

However, we sincerely feel that this measure comes a little late. We also feel that it will not solve the problem of ordinary people, and in particular of low income families, the unemployed, the pensioners, the widows, people without a trade, newcomers to this country, those who get social assistance payments, the Indians and the half-breeds.

While prices are increasing, Mr. Speaker, the purchasing power of those families is decreasing. Since rents are inevitably high, families get along by spending less for food, clothing and education, or they cut down housing costs by living with friends or relatives, or in houses divided into small units unfit to live in.

That is why I am quite upset by this part of the minister's statement:

> However, distribution of new housing starts as between rental accommodation and single family dwellings for home ownership continues to cause concern.

Mr. Speaker, that causes concern to us also, the more so because immediate steps are not taken to help low income groups, the most severely affected by the rise in the cost of living.

At this point, I would like to remind the minister of a statement which appears on page 216 of the third annual review of the Economic Council of Canada, and I quote:

> In the absence of an early upturn—

and the minister's statement is surely not an upturn—

> —in new residential construction, a severe housing shortage could emerge very quickly in Canada; and rent increases could become a powerful new factor accentuating the rise in living costs and in wage demands.

Therefore, I am asking the minister to consider introducing immediate legislation in order to help low income and large families as regards housing.

[*English*]

SHIPBUILDING

INQUIRY AS TO RE-ESTABLISHMENT OF ASSISTANCE

On the orders of the day:

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question at this time to the Minister of Fisheries, but in his absence I will direct it to the Prime Minister. The federal-provincial Atlantic fisheries committee ended its conference in Montreal yesterday on fishing vessel construction materials. Is it the intention of the government to submit a report to the house on the conclusions reached by this conference, and will the facts be used as the basis for re-establishing assistance to the shipbuliding industry?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries): Mr. Speaker, as parliamentary secretary to the Minister of Fisheries I should like to take the questions as notice.

EXTERNAL AFFAIRS

REQUEST FOR CESSATION OF ARMS SALES TO NIGERIA-BIAFRA

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy Royal): Mr. Speaker, I have a question for the Prime Minister. Will the government of Canada take diplomatic initiatives in an attempt to persuade the governments of the U.S.S.R., Britain and France to stop providing arms to Biafra and Nigeria?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I believe the Secretary of State for External Affairs has dealt with the problem of diplomatic representations previously.

HEALTH AND WELFARE

LEGISLATIVE PROVISION FOR LEGAL DEFINITION OF DEATH

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Justice. In view of the increasing frequency of heart transplants and in view of Dr. Christiaan Barnard's statement yesterday that the conventional definition of death is outdated, is the government considering legislation to provide a legal definition of death which will be a suitable guide to surgeons?

Mr. Baldwin: The best example is the Liberal government.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I do not like thinking about the subject, but I will certainly consider it.

INDUSTRY

CAPE BRETON—REQUEST FOR TABLING OF DEVCO REPORT

On the orders of the day:

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Minister of Forestry and Rural Development. In view of the fact that the minister is absent, whether or not his absence is authorized, I will direct it to the Prime Minister. Since the great urgency of this matter is supported by requests from Cape Breton, and is also implied in the legislation, will the government not make available the Devco report?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): Mr. Speaker, I will bring the hon. member's representation to the notice of the minister, who is temporarily absent.

Mr. MacInnis (Cape Breton-East Richmond): I have a supplementary question for the Prime Minister. In view of his great concern for the just society, does he not think that an urgent question which has been put to his government for the past week or so should have been answered by now, especially since the legislation implies it is an urgent matter? Why is it we cannot receive this report on Devco?

Right Hon. P.-E. Trudeau (Prime Minister): The minister was here a few moments ago but he had to leave the house.

An hon. Member: Where is he? Get him back.

Mr. Trudeau: It is now 20 minutes past 12 and he had a meeting at 12.15. I suppose he did not think that members of the opposition would be so loquacious this morning.

Mr. MacInnis (Cape Breton-East Richmond): I rise on a question of privilege, Mr. Speaker. A ruling has been made time and again in this house that I and other members of the opposition are not allowed to put questions to ministers unless those questions concern their departments. This is the ruling, and I could turn up any number of precedents. I ask the Prime Minister again: why is it written into legislation that we cannot attend to this emergency? Why is it that as early as this week the Prime Minister himself designated the wrong minister to answer the question? Where is the just society? When and where are we going to get this report?

Mr. Speaker: Order.

HARBOURS

ROBERTS BANK, B.C.—REPRESENTATIONS RESPECTING RAIL LINE

On the orders of the day:

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Minister of Transport and refers to the late show last night. When was the letter which he mentioned in the debate last night written to the premier of British Columbia and the railways involved? Has any reply been

received? If so, has there been a date set for the meeting mentioned in that letter? Does the minister plan to be at that meeting?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, the letters were written yesterday. Obviously there has not been time yet for a reply. I do not contemplate being at the meeting because the matter primarily concerns the railways, the government of British Columbia and the lower mainland planning board. However, I took the liberty of advising the premier of British Columbia and the railways by telephone that the letters were on their way so that they would be aware of them and could facilitate their plans more expeditiously.

Mr. Nowlan: May I ask a supplementary question? Has the minister had an opportunity of checking out what the Minister of Public Works said about the Roberts Bank development so we can find out who is expressing government policy?

Mrs. Grace MacInnis (Vancouver-Kingsway): In view of the fact the minister got the letters away so expeditiously yesterday, has he been able yet to get a definitive legal opinion avout the constitutional jurisdiction involved in the British Columbia Hydro and Power Authority rail line question?

Mr. Hellyer: It is in train, Mr. Speaker.

SHIPPING

CHURCHILL—INQUIRY INTO EXTENSION OF SEASON

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to ask the minister whether the report on the study which is being conducted into the extension of the shipping season at Churchill will be an interdepartmental or a public document?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I am not sure to which of the numerous studies that have been made in respect of the matter my hon. friend is referring, so perhaps I had better take the question as notice or he could put it on the order paper.

Mr. Korchinski: May I ask a supplementary question of the Prime Minister? In the interests of economy would he not consider cancelling these studies and appointing a public inquiry commission so that representations could be made by interested bodies with a view to recommending what action should be taken?

[Mr. Nowlan.]

Mr. Speaker: Order. The hon. member is making representations. This is not really a question.

HOUSE OF COMMONS

ATTENDANCE OF MINISTERS DURING QUESTION PERIOD

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, may I address what I consider a most interesting question to the Prime Minister? I understand that today all members received a communication about a new experiment in connection with the attendance of cabinet ministers in the house. This communication states the Prime Minister will be here during question period five days a week and the cabinet members will all be here on Wednesdays. On Mondays, Tuesdays, Thursdays and Fridays, 13 of the 28 will be here. May I ask the Prime Minister when this experiment will be put into effect?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I am glad the hon. member finds this question very interesting. I hope he finds the answer interesting too. We thought that this plan might begin on Monday. We hope the house will see the advantages in it.

An hon. Member: You have been experimenting already.

Mr. Trudeau: A member says that perhaps there has been an unwilling rehearsal for the past couple of weeks. The remark which has just been made is an indication that the opposition might stand to gain if this plan works. We hope that the result will be that, rather than ministers being away on business as they have to be during the session at unforeseen times, with the consequence that a full cabinet is rarely present in the house since its members have to be occupied with other aspects of business across the country, the plan will permit members of the opposition to ask questions within stated departmental fields on days which will be foreseen, not only by them but by the ministers. We hope that in this way ministers will be able to plan their attendance, and the opposition will be able to plan questions, in a way which will give more information, not less information, to the opposition.

Mr. G. W. Baldwin (Peace River): I rise on a question of privilege, Mr. Speaker. I want to comment on the Prime Minister's statement. The statement he has made is an indication of the government's intention to carry

this plan into effect. I believe that the statement and the plan constitute a calculated contempt and an infringement of the privileges of this house, of all members of this house, including all the members of the opposition and government backbenchers', in so far as both tradition and the standing orders of the house are concerned.

I want to commend to the Prime Minister a sentence which appears on page 149 of Beauchesne dealing with the practice of questions being asked on orders of the day:

> The practice has been so long and so regularly in the House that, if not impossible, in my opinion, it would be inadvisable to stop it.

It appears that the right hon. gentleman does not mind rushing in where Mr. Beauchesne feared to tread.

I would also point out that standing order 39(5) of the rules of this house provides that:

> Before the orders of the day are proceeded with, questions on matters of urgency may be addressed orally to ministers of the crown—

This statement was included in a recommendation of the procedure committee which was adopted by the house unanimously, I believe. There is no suggestion that questions should be asked only of some ministers of the crown. There is no suggestion that they be limited to such ministers of the crown as the government or the right hon. gentleman see fit to designate to be in the house. The recommendation covered all ministers of the crown.

Again, Mr. Speaker, I submit in as strong terms as I can that this action of the government, all the more flagrant because it goes in the face of the very reasonable and moderate criticism of this proposal when it was first broached, and in view of the fact that a standing committee has now been established with terms of reference requiring the committee to pay attention to this matter, is a very contrived contempt of the House of Commons.

The rights of the members of this house under standing order 39 go a step further. They have now been given the right, when Your Honour for reasons that you think are proper rules that a question is not urgent or when hon. members are not satisfied with the answer, to give appropriate notice and debate the matter, and this plan cuts down that right.

While I base my submission on the statement of the Prime Minister and on the absence from the house of ministers who should be here to answer these questions, I also base it on a letter that was sent to all members of the House of Commons, and which I assume is public property, by the President of the Privy Council. Dated yesterday it says:

> On Wednesday, September 25, the Prime Minister asked the house for co-operation in an experiment in relation to the attendance by ministers during the daily question period. I am enclosing a copy of the roster.

On examining the roster, Mr. Speaker, it is interesting to note that this is the day the Minister of Agriculture will not be in the house. The whole farcical nature of this experiment is shown by the fact that the minister is not so obviously engaged on business, because when the application under standing order 26 was made he came into the chamber. This arrangement is contrived and continues to be contrived, I say, in complete contempt of the house and parliament.

Briefly, Mr. Speaker, the second paragraph reads as follows:

> This roster is based chiefly on the cabinet obligations of the ministers. Naturally, from time to time ministers will have to be away because of other public responsibilities or illness. It is not suggested that questions should be delayed in such instances; rather, they could be addressed to the Acting Minister or the Parliamentary Secretary.

The only inference that hon. members can derive from that letter is that when, in response to the dictates of the Prime Minister, ministers are not in the house, questions asked of them by hon. members will not be answered but will be disregarded. No attention will be paid to them at all. I think that is quite plain, sir. What the President of the Privy Council is saying in this second paragraph of the letter is that where the minister is away on legitimate business questions can be directed to parliamentary secretaries or the acting minister. He is saying: When a minister is away because the Prime Minister has said he is not to be here, no attention will be paid to questions.

I submit, Mr. Speaker, that those of us who have had the opportunity of seeing the extent to which the question period in the United Kingdom has deteriorated to the point that it is useless see in this practice a very serious and retrograde step. I suggest to the government, to the right hon. gentleman and to the President of the Privy Council that if they are seriously interested in saving time and in the expeditious handling of the business of the house, then the one minute or so spent in asking a question and giving an answer could well save a great deal of time later when a member, frustrated in his desire to obtain

legitimate information, is driven to the course of making a speech on the matter when such opportunity is given to him.

I suggest that the government seriously review this practice. It is a contempt of parliament and a restriction on the privileges of hon. members. I suggest that the right hon. gentleman review this practice right away and not let this period continue to degenerate. I make this plea sincerely. If not, Mr. Speaker, I am afraid that this house is in for a very difficult time.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I shall take only a brief moment because the case has been extremely well stated by my hon. friend the hon. member for Peace River (Mr. Baldwin). I support his protest and his plea.

I suggest that though there may be many things about our procedure that need to be improved or which are wrong, the question period is not one of our trouble spots. The question period is an occasion when the government is kept on its toes by members of the house generally. I contend that this proposal to have a number of the ministers out of the house every day is an attempt to cool the question period and, in my view, this is not good for parliament.

There was one standing order that the hon. member for Peace River did not quote and to which I should like to refer. Standing order 5 reads as follows:

> Every member is bound to attend the service of the House, unless leave of absence has been given him by the House.

I know that this rule is violated every hour of every day by individual members who are not here and who pay no attention to standing order 5, Mr. Speaker. But for the Prime Minister to stand up and deliberately say that certain of the most important members of this house, namely, members of the cabinet, are not going to be here is, I suggest, in defiance not only of the rights and privileges of the members of the house and in contempt of the importance of the question period, but is in defiance of standing order 5. The government has no right to foist such a practice on this house.

Mr. Trudeau: Mr. Speaker, I understand the seriousness of the plea that has been made by members of the opposition but I wish to assure them that there was no intention in our proposition to do something that is in contempt of the house. This is an experiment. It was presented in that light and I think it would be more progressive to try it before discontinuing it, as members of the opposition suggest.

I think the experiment is worth while because not only the opposition but parliament will stand to gain if there can be a little more order on days when we ask our questions. Members of the administration do have to be away on occasion, Mr. Speaker, as is the Secretary of State for External Affairs who is at the United Nations, and the Minister of Finance who has been absent for the commonwealth finance ministers meetings and lately for the World Bank meetings. I myself had to be away yesterday to attend a function in Calgary. It is inevitable that members of the administration have to be away.

In the past, Mr. Speaker, when one minister was away for a period, say at the United Nations, it was possible that the opposition could be stonewalled. A government could say that it would not answer a certain question until the minister returned and that he would answer the question in ten days' or a fortnight's time. We believe that this present arrangement will put the government under an obligation to have somebody here to answer questions in specific departmental areas. If the minister himself cannot be here on a day when he is supposed to be here, then he will be replaced by the acting minister or the second acting minister, by his parliamentary secretary or by the Prime Minister. Someone will have to attempt to answer, and the departments of the absent ministers will be able to brief the acting minister. We hope that this will be to the advantage of the opposition. If it is not to the advantage of parliament we shall discontinue the system.

The house no doubt realizes that members on the front benches have always been here. I see that on the front bench opposite only four members out of 14 are present.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): They were here.

Mr. Baldwin: We are asking the questions. You answer them.

Mr. Trudeau: Certainly, after one hour and 45 minutes of sitting, the percentage of members of this administration present is greater than the percentage of like members in the opposition parties.

Some hon. Members: Hear, hear.

Mr. Trudeau: The front benches of the N.D.P. are not doing too badly. Their attendance averages 50 per cent, although a moment ago it was only 25 per cent.

Everyone in this house realizes that members have to be away. That does not mean they are not working as hard as they can for the common weal, or as hard as if they were sitting in the house. They may have business to attend to in various departments or out on the front lawn.

Mr. Horner: Or they may be golfing.

Mr. Trudeau: Hon. members may be in their offices, or in other parts of the country or elsewhere in the world attending to government business.

Mr. Baldwin: Just as the Minister of Agriculture was today. He was not very far away.

Mr. Trudeau: The Minister of Agriculture was on the front lawn talking to the corn growers. If he had not been there you would have complained. We brought him back into the house to deal with the motion under standing order 26, and he was here.

Mr. MacInnis (Cape Breton-East Richmond): You brought him back? Would he not come back on his own?

Mr. Trudeau: If he had not come back someone in the opposition would have raised a question based on standing order 26. That is why the minister had to be brought back.

I do not think that many cases of national disaster have arisen from the fact that a question which was asked was so urgent that it had to be answered on the day it was asked and not on the day following. An hon. member referred to what is happening in the United Kingdom. In some instances one minister is present only every three weeks to answer questions. The parliamentary system has not broken down there.

Mr. Baldwin: It has, pretty nearly.

Mr. Trudeau: We are not attempting to go that far. We think this system may be the best proposition for the opposition. They will have the opportunity under it to ask questions, perhaps not of all ministers at one time, which are related to departmental areas. They may ask their questions on given days and we think this policy is to their advantage. If it is not, we can change the system.

Inquiries of the Ministry

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, it has always been the story of history that when rights were interfered with those who interfered with them found the most philanthropic reasons for what they did.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: That has been characteristic. As the Prime Minister spoke I thought he was going to make a good case for the absence of some ministers because, naturally, they have work to do and everyone recognizes that. But for the Prime Minister to introduce this system arbitrarily and gloss it over by the suggestion that what he is doing is for our benefit is, indeed, the very height of political hypocrisy.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: We did not ask for this. We recognize, as do all who have had positions of responsibility, that ministers at some time must be away. But when the Prime Minister says, "I have decided to assist the opposition"—

Some hon. Members: Oh, oh.

An hon. Member: He is worried about the opposition.

Mr. Diefenbaker: —that causes me, free from suspicion as I am—

Some hon. Members: Oh, oh.

Mr. Diefenbaker: —to look with some care. I recall so well, sir, the occasion last February when the prime minister, who was then a member of a minority government, in effect said, "We are your masters." This is an obvious application of the philosophy, "We are your masters."

I say to the Prime Minister: When you are making experiments do you not think you should take parliament into your confidence and give your reasons? Should change not be brought about through the instrumentality of discussion? I say, sir, that the rule the Prime Minister is endeavouring to foist on the House of Commons is beyond the rights of the Prime Minister of this country. He cannot tell members of the opposition in parliament how they shall act. He can tell those ministers surrounding him that their mouths must be shut.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: He can say that his ministers must be silent and that leaks in the cabinet, described by a former minister—

Mr. Trudeau: A former prime minister.

Mr. Diefenbaker: —as similar to leaks in a sieve, shall be stopped. On reconsideration I think the Prime Minister will decide that he has gone just a little beyond parliamentary practice when he tells this house that from now on it must keep a record of ministerial attendance. Now it is like school.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: The Prime Minister is to be here at all times; of course, there will be times when he will be absent, as he must be and as he was in the last couple of days, no doubt in pursuance of responsibilities to the nation. The Minister of Transport is to be absent on Thursday and Friday and present on Monday and Tuesday.

Mr. Trudeau: And on Wednesday.

Mr. Diefenbaker: The Secretary of State for External Affairs, who will be away a good deal of the time now while the United Nations is sitting, has the opportunity to be absent on Monday and Friday. The Minister of Public Works is to be absent on Thursday and Friday and the Solicitor General of Canada is to be absent on Thursday and Friday. They have changed around the attendance of the Minister of Manpower and Immigration. I believe he is to be absent on Tuesday and Friday. The President of the Treasury Board will not be here on Monday and Thursday.

Why, Mr. Speaker, this is conglomerate nonsense. That is all it is. I should like to have been present when they played the ouija game of picking out which ministers would be present in the house and charged with national responsibilities on various days of the week.

Let the Prime Minister once and for all realize this fact. While we want to co-operate with the government, I say to the government, do not apply a throttle to parliament, a throttle put on by the Prime Minister and glossed over by the specious suggestion that "what we are doing is for your benefit". We do not want any of this gratuitous assistance from the government.

Some hon. Members: Hear, hear.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I am much indebted to the gratuitous assistance of the right hon. member for Prince Albert in coining one of his classic phrases, "conglomerate nonsense", which so aptly and effectively describes the arguments which have been put forward by hon. members on the opposition side with respect to this matter.

Some hon. Members: Hear, hear.

Mr. Macdonald (Rosedale): Perhaps I might confine myself to the remarks of the hon. member for Peace River and point out that this proposal is neither in contempt of parliament, a restriction of privileges, nor a violation of standing order 39. The hon. member sought to read into the standing order a wording saying that all ministers must be present. I point out that the standing order provides for the opportunity for hon. members to ask questions but it does not impose the obligation enunciated by the hon. member.

In the same way, Mr. Speaker, I think you will recognize that this is not a question of a breach of the privileges of the house. The hon. member referred to the matter of debate on the adjournment motion. I point out to him that if a question is asked and no answer is given, there is a right to debate on the adjournment motion.

The hon. member for Winnipeg North Centre made an observation which I believe is entirely correct when referring to standing order 5, the requirement for hon. members to be present at the service of the house. From the start of the sitting the Leader of the Opposition and the leader of the New Democratic party were absent, for a very good reason, I know. The hon. member did not say that his leader had leave to be absent, as the standing order requires. Also, the leader of the Ralliement Créditiste was not present.

Some hon. Members: Hear, hear.

Mr. Macdonald (Rosedale): I do not question the validity of the reasons hon. members have for not being here.

Mr. Baldwin: That is the difference between us. We question the validity of your reasons.

Mr. Macdonald (Rosedale): I point out to the hon. member that standing order 5 has not been complied with generally and has not been complied with in the case of the three hon. gentlemen I have referred to.

From the standpoint of public policy there are sound reasons for doing what we propose ought to be done. With the increase in government business, particularly at the executive level, it is desirable that cabinet should have the opportunity of meeting in committee to deal with the various decisions to be made.

Mr. Horner: No.

Mr. Macdonald (Rosedale): The hon. member for Crowfoot says no, but it seems to me a necessary part of our parliamentary form of government in which the executive is made up of members of this House of Commons. I therefore suggest it is entirely proper that we should adopt this arrangement.

The hon. member for Peace River appeared to look with disdain at the practice of Westminster. I would only repeat that the opportunity to ask questions in this house on a spontaneous basis is not being taken away. Ministers will be here and the opportunity to ask questions will remain. I hope there will be some co-operation from hon. members in terms of posing questions and giving the courtesy of advance notice, in which case I think we will find ourselves with a more effective rather than a less effective question period.

Mr. Speaker: I certainly do not wish to interrupt this discussion but I should bring it to the attention of hon. members that this subject was raised originally as a question of privilege. There is no motion before the chair, and it seems that the hon. member for Peace River was raising a point of order, more or less. I wonder whether we should not use the few minutes which are left to terminate the question period.

Mr. Eldon M. Woolliams (Calgary North): With the greatest respect, Mr. Speaker, I think this is the most important subject which has come before parliament for a long time. The President of the Privy Council has once again confused the functions of parliament with those of the executive. I think the subject deserves some consideration on our part because the rights of parliament and the right of the opposition to get information from the executive are at stake. Perhaps in the past, like all parliaments, we have failed to use our time to best advantage. But today we are on solid ground and I hope that along with other hon. members I shall have the opportunity to be heard.

With the greatest of respect to the statements made by the Prime Minister and the President of the Privy Council, may I say I consider they are trying to put something over on parliament and the Canadian people. I wish to come to grips with the argument advanced by the President of the Privy Council. Let me read the standing order. It says:

> Before orders of the day are proceeded with, questions on matters of urgency may be addressed orally to ministers of the crown—

Nowhere do we find that only some ministers can be questioned on any day. The word "all" is not there, but nowhere does it say that only some ministers may be questioned. The idea is that members of the opposition can question the executive of this country whose function it is to govern, and I think this is where the President of the Privy Council confuses the functions of government with those of parliament.

Let us take a look at the history which led up to this occasion. The government asked members of the opposition to acquiesce in the setting up of a committee to inquire into the various rules which govern the procedures of this house. The opposition worked together with the government in a co-operative manner and a committee was set up to look into the very procedures we are now discussing. The next day the Prime Minister came into the house and unilaterally, without taking parliament into his confidence or placing the question before the committee, made a decision by saying in effect: We are the masters of this house and we intend to implement a rule whether you like it or not.

The Prime Minister put forward a foolish argument when he referred to the absence of some members of the opposition from this chamber. The fact is that it is the function of the government to govern, and it is the duty of ministers to be here and ready to answer questions so that facts may be obtained by members of the opposition. It seems to me he is confusing the roles of the government and of the opposition.

Mr. Trudeau: How can you govern if you are not the master?

Mr. Woolliams: I would say that in the short time he has been Prime Minister of this country the right hon. gentleman has shown that he is going to set himself up as a little tin god, a little dictator. There is no doubt about that. As my right hon. friend from Prince Albert has said, the reason the Prime Minister has brought forward this suggestion is not so as to assist the opposition but in

order to assist him in becoming master of this house. He agrees with me that he wants to be master. He silences his ministers. Now he wants to silence the opposition. I say to him, that he is now treading on the very rights of parliament and on the freedom and liberty of the subjects of this country who speak through their representatives here. I plead with the right hon. gentleman to reconsider his position in light of the fact that he has set up a committee to study this very question. I urge him not to make a unilateral decision affecting the most serious matter to have come before parliament in many a day.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I should like to echo some of the remarks made by my right hon. friend from Prince Albert, my hon. friend from Calgary North and others and speak from the point of view of a backbencher. I remind supporters of the government who happen to be sitting on my right that they may find themselves over here permanently after another election, perhaps fighting on the same type of issue as we are concerned with today, one which strikes at the fundamental practices and privileges of this house.

I listened to the Prime Minister today, as I listened to many of his speeches during the campaign, and I still have a smouldering belief that he is sincerely interested in trying to reform some of the practices and procedures of this house to bring them into the mainstream of the second century of our nation.

Some hon. Members: Hear, hear.

Mr. Nowlan: I believe, too, that the President of the Privy Council, working with the other house leaders, also has a desire to renovate and reform where necessary, and I share his views on renovation and reform to bring our practices and rules into the mainstream of the second century.

Nevertheless, when the President of the Privy Council, let alone the Prime Minister, having agreed to set up a committee to consider these changes, unilaterally imposes a fundamental change in the practices of this house even on an experimental basis, I become most suspicious. I only hope that the government will refer this question to the committee which has been set up to do what we all want to see done, that is, reform the rules.

On another point, I was surprised and disappointed by the specious and fallacious nature of the argument the Prime Minister used, especially coming from a man credited with taking an intellectual and logical approach to matters under discussion. I was disappointed to see him point to his front benches and then to ours and comment that there were X members absent. Clearly, the point is not the number of members present today, or on any particular day, but the principle which is at stake. I am afraid his use of such a specious argument indicates his lack of appreciation of the functions of parliament, and I echo the words of my hon. friend from Calgary North: there is a difference between parliament and the executive.

Before you rise, Mr. Speaker, perhaps you will allow me to make a fundamental point, one which those sitting on the back benches opposite should heed. There are two occasions when a backbencher can stand up in this house and confront a minister. One is during the question period, the other is when the estimates of a department are before the house in committee and it is possible to comment on particular points affecting a constituency in the expectation of a reply. I only wish backbenchers across the way would appreciate the fundamental principle involved here. It does not affect the opposition alone.

So far as the efficiency of this house is concerned, how efficient will the house be when I stand up as a backbencher and direct a question to the Minister of Transport which, it turns out, falls within the responsibility of one of his colleagues? We had an instance today. A question was asked of one minister and he replied "No, that is the Minister of Energy, Mines and Resources." Every day, because of the interlocking of departments, one minister hands over questions to another. The Postmaster General, I suppose, is going to be the minister of communications, of the post office, and perhaps of satellites, but there will be conflict with the Department of Transport.

Instead of an efficient house and a shorter question period this proposal will complicate the problem. The question period has not been the problem in this house during my experience, which is the same in time as that of the Leader of the Opposition, two and a half years. In passing may I say that the class of '65 on the government side has gone ahead a heck of a lot faster than the class of '65 on this side.

So far as efficiency is concerned there are two fundamental points involved. First the question period is one of the few times when

a backbencher can confront a minister. The second point concerns efficiency. Under the new system, when a backbencher asks a question we are going to have a parliamentary secretary or the Prime Minister say, "I will take notice of it," and the whole thing will have to be regurgitated next day. The functions of one minister are so interrelated with those of another minister that the whole thing bogs down.

We all understand that on occasion ministers have to be away from the house. We understand that the Prime Minister has to be away. I know, Mr. Speaker, that I am speaking past the lunch hour adjournment time, but in conclusion I point out to the Prime Minister that the principle involved in having only five ministers in the house would be equally valid if there were only one minister in the house, and his argument about efficiency leaves me cold.

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

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker—

Mr. Speaker: It is after one o'clock and there can be no further debate.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, at one o'clock I was about to add to the arguments put forward by hon. members on this side of the house as to why this arbitrary move on the part of the Prime Minister should not be imposed on this house. The Prime Minister has overlooked one very important fact. It is well known that questions asked on orders of the day can only qualify if they are urgent or of national importance.

As I understand the attendance schedule for ministers, the Minister of Transport, for example, might be absent from Thursday until Tuesday. It is well known that acting ministers do nothing more than take questions as notice. Should an urgent question arise on a Thursday that I wish to ask that minister I will not be in a position to do so until he returns to the house, a period of some five days. As a result of this delay the question might no longer be considered and be ruled out of order. Following the five day delay the question might not be regarded as acceptable.

The Prime Minister has overlooked a lot of factors in regard to this change in the procedures of the house. It is a well established precedent that I am not allowed to direct a question to a minister about any department other than the department for which he is responsible. It follows that no minister should be allowed to answer questions posed by hon. members unless those questions relate to the department of the minister. If this works one way it must work the other way. If I direct a question to the minister of energy or the minister of health, no other minister should be allowed to answer that question because it does not pertain to his department.

The Prime Minister has referred to the responsibilities of his ministers and has said that they will be absent on certain days. During his remarks this morning he said that ministers may be absent on occasions because of government business. I suggest what this means is that cabinet members will have a three day work week. This is clear from what the Prime Minister has said. He is now trying to arrange a three day work week for his cabinet members.

It would be very enlightening to members of this house to know what the Prime Minister thinks about our rules of procedure. Far be it from me to lecture hon. members about these rules, because everyone knows what I do to them. I am in a position, however, to call to the attention of the Prime Minister the fact that he might do a lot of good for himself, the government and this house if he would familiarize himself with the responsibilities of his cabinet members.

This week I posed a question and the Prime Minister stood up and said that the minister of mines would provide an answer. The minister of mines has no jurisdiction whatever in respect of the matter to which I referred. Surely the Prime Minister should ascertain the responsibilities of his various ministers.

Mr. Trudeau: I am just new. Give me a chance.

Mr. MacInnis (Cape Breton-East Richmond): After stumbling and fumbling around trying to answer a question I posed, the Prime Minister suggested that another minister would answer the question, although its subject matter did not fall within the purview of responsibility of that minister. I think the Prime Minister should familiarize himself

with the rules of procedure and the duties of his cabinet ministers before he attempts to impose changes in our long standing procedures.

Mr. Trudeau: I will take a day per week to do so.

Mr. MacInnis (Cape Breton-East Richmond): At the rate the Prime Minister is going a day per week will not be enough.

Mr. Trudeau: Then I will take two.

Mr. MacInnis (Cape Breton-East Richmond): Let me also point out to the Prime Minister that there are other rules with which he should familiarize himself before making changes. On several occasions last week the Prime Minister broke the rules of this house; yet new members are called to task. When the Prime Minister was on his feet earlier today he broke the rules. These rules are not made for the Prime Minister to twist and change to the satisfaction of his cabinet.

The least the Prime Minister can do is familiarize himself with the duties of his colleagues so that when he is asked a question in the absence of any minister he will know which minister to designate to take notice of the question. During the last week I asked two questions of urgency concerning problems in my constituency. The Prime Minister referred me to two different ministers, neither of whom had any responsibility in respect of the problems. I had reference to a specific report and I suppose the ministers responsible were not aware of their responsibility.

This government wants to complete parliamentary business as quickly as possible. The government initiated a study in respect of this Cape Breton problem which was completed on June 25. The report suggested certain legislative measures and the responsible minister has had this report for some days but has not released it. Is there something in the report that the people of Cape Breton should not know?

Mr. Trudeau: Are you obeying the rules of relevancy now?

Mr. MacInnis (Cape Breton-East Richmond): I hardly think that an interjection by the Prime Minister from his seat is in accordance with the rules. Let me say again that the Prime Minister should learn the rules of this house and familiarize himself with our procedures before imposing changes. He should study these long-standing rules before arbitrarily imposing new rules.

[Mr. MacInnis (Cape Breton-East Richmond).]

If I want to ask the Minister of Transport a question of urgency on a Thursday I will have to wait until perhaps the following Monday to get an answer. As a result of this delay the question, as I have suggested, would no longer be urgent and would be ruled out of order. Any question put to a member of cabinet on a given day must meet the qualifications imposed by Mr. Speaker. Having met those qualifications, we can only get the proper answer if the question is answered on that particular day. This waiting is no good. I think the Prime Minister had better smarten up to the extent of realizing that opposition members are entitled to an answer when a question is asked. The government should not be allowed to sit on questions for four or five days simply because certain ministers do not realize that a particular report is their responsibility.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, if I might have less than three minutes I would like to speak to the question privilege raised by the hon. member for Peace River. The Prime Minister, with his impressive background, should realize more than most members that it is often said these days that the executive is exercising more and more power and control over parliament and private members than was the case decades ago, and that relative to other forms of government such as the congressional the power of the executive in our system is perhaps growing too much.

There is one argument which shows there is a redeeming feature about the parliamentary system and affects the relative power of the executive and private members, under our system, unlike any other, there is provision for members of the executive being held to daily account. This is done through the question period, at which time the tradition and practice have been that members of the cabinet present themselves for interrogation and to supply information. It is not just that they are expected to do so; this is an old practice that goes back over the centuries. Just as the right hon. member for Prince Albert indicated earlier today, I think the indication the Prime Minister has given that this practice will be impinged upon simply for the convenience of the executive will be very much to the detriment of parliament as a whole.

The only other point I want to make is that in all this matter a very disappointing role has been played by the President of the Privy

Council. He has been holding talks, discussions and negotiations with the house leaders of the other parties and has been soliciting their views and ideas with regard to likely ways in which the rules and procedures of this house could be reformed so as to expedite the passage of the necessary business of the house. But all along he knew that the Prime Minister had in mind making a rather drastic change with respect to cabinet members' attendance in this house.

I suggest that this point bears directly on the whole question of rules of procedure, the function of the opposition, etc. Therefore I think it was certainly unkind of the President of the Privy Council not to let us know that the Prime Minister had this in mind. I suggest that he was bargaining and negotiating in something less than good faith when he did not mention it to the house.

Mr. Macdonald (Rosedale): Mr. Speaker, would the hon. member permit a question?

Mr. Schreyer: Yes.

Mr. Macdonald (Rosedale): Has the hon. member inquired from his house leader whether a suggestion of this kind with respect to the question period was in the documents that he saw earlier in the summer?

Mr. Schreyer: I will let my colleague the hon. member for Winnipeg North Centre answer for himself.

Mr. Knowles (Winnipeg North Centre): We objected to it at that time.

Mr. Macdonald (Rosedale): As I recall it, you said nothing about it.

Mr. Knowles (Winnipeg North Centre): That is not correct.

Mr. Schreyer: Mr. Speaker, I indicated at the outset that I wished to take only two or three minutes. I believe I have made the two points of my argument, which is what I set out to do.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, one point only comes to my mind in looking over this so-called roster. First, I certainly do not accept the idea, for the reasons that have been put forward by other speakers on this side of the house, that we have to live with this crazy notion for awhile—for how long we do not know.

I should like to ask whether the President of the Privy Council would consider changing Wednesday, the day when all the ministers are supposed to be here, to another day of the week when the question period is longer. In other words, if the government is sincere in its desire to assist opposition members, as has been put forward, why is it that the only day of the week all the ministers are to be here is the day on which we have the shortest question period? If we have to live with this plan I suggest that either the question period be lengthened on Wednesday, so we will have a chance to examine all the ministers, or another day of the week should be chosen when the question period is longer.

Mr. Macdonald (Rosedale): With the indulgence of the house, Mr. Speaker, in answer to this question I would be prepared to make it Wednesday and to—

Mr. Speaker: Order, please. The minister has already taken part in this debate, but with the unanimous consent of the house he may be allowed to speak to the question a second time. Is this agreed?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale): Mr. Speaker, I accept the offer of the hon. member for Saint John-Lancaster and would be quite agreeable to extending the question period on Wednesday to the full one hour limit, with the question period on Monday, of course, being reduced to 40 minutes.

Mr. Nesbitt: How about having all the cabinet members here on the other days?

Mr. Macdonald (Rosedale): Will you attend yourself?

Mr. Nesbitt: That does not make any difference.

Mr. Macdonald (Rosedale): It does not make any difference in your case.

Mr. Winch: Mr. Speaker, will you grant me the privilege of asking a question? I did not expect that my simple question on the matter would lead to this debate. In view of the informative discussion that has taken place, which has been noted by the Prime Minister, could I ask the Prime Minister whether he would be prepared to reconsider having this system come into effect on Monday? Would the Prime Minister hold it in abeyance for further consideration? In view of the discussion that has taken place, and perhaps in order to bring it to a halt, I ask the Prime Minister to hold in abeyance putting this system into effect on Monday.

Mr. Speaker: The hon. member for Moose Jaw.

Mr. Winch: Mr. Speaker, I ask the Prime Minister whether he will give me an answer.

Mr. Speaker: Order, please. We should proceed in an orderly fashion. We will be returning to the question period in a short while. The hon. member may wish to ask his question at that time.

Mr. Skoberg: I apologize, Mr. Speaker. I thought we had possibly returned to the question period at this time. If we have not returned to the question period and are still in the bulrushes with regard to this question, I should like the privilege of asking a question later.

Mr. Speaker: As the house knows, we are still on the question of privilege raised by the hon. member for Peace River.

Mr. Skoberg: Am I permitted to ask a question, Mr. Speaker?

Mr. Speaker: There seems to be a disposition to return to the question period.

Some hon. Members: Agreed.

REQUEST FOR DELAY IN IMPLEMENTATION OF PROPOSED CHANGE

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, will the Prime Minister, in view of the importance of the preceding discussion, not have the system go into effect on Monday next? Would he consult all those who are so interested in this matter and hold it in abeyance? I ask the Prime Minister whether he will agree to this now.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the first time I spoke about this matter was last April. I spoke of it again many times during the election campaign. The President of the Privy Council spoke about it in his discussions with the leaders of the other parties. It should not come as a surprise to hon. members if they followed the election campaign. It is an idea for which I thought we had a mandate from the people. Perhaps we did not. But this is one of our election promises that we feel we should carry out.

Some hon. Members: Hear, hear.

Mr. Trudeau: We all want to make parliament more efficient. I explained to hon. members this morning that we are not trying to be doctrinaire about this. We want to be experimental. We beseech the members of the opposition to take a little chance with novelty to see how it works. If it does not work to the greater advantage of parliament, we will go back to our old conservative ways.

Mr. G. W. Baldwin (Peace River): I would like to ask the right hon. gentleman if he does not think the people of Canada have taken enough chance with novelty already.

Mr. Winch: I have a supplementary question which I should like to address directly to the Prime Minister because it is of concern to members of parliament. Will the Prime Minister not be dictatorial but give us an opportunity—

Mr. Speaker: Order, please. The hon. member is simply restating the same question with only a slight variation.

POST OFFICE DEPARTMENT

NEWFOUNDLAND—COMPLAINTS RESPECTING EARNINGS IN RURAL COMMUNITIES

On the orders of the day:

Mr. Jack Marshall (Humber-St George's-St. Barbe): Mr. Speaker, I take it we have reverted to questions. I have been trying to ask this question since September 19 and I would like to have an answer now because I feel it is urgent. It is directed to the Postmaster General. In view of the many complaints made to me by postmasters and postmistresses in rural communities in Newfoundland regarding discriminatory low wages paid to them, some as low as $13 a week for rent and salary, would the minister investigate this serious situation and report his findings to the house as soon as possible?

Hon. Eric Kierans (Postmaster General): Mr. Speaker, I do not think I have to investigate the situation. I can report to the house right now in reply to the hon. member's question. As the hon. member knows, we have a number of post offices, to be exact 2,437, which have an annual revenue of less than $445 a year. We place sub-post offices in general stores and pharmacies right across the country.

The salary is related to the number of stamps that are sold or sales that are made. We are actually going through a process of closing a number of these post offices because they are not profitable, as the hon. member has just suggested, either to the person who

works there only part time or to the post office which at a cost of $1,100 or $1,200 in some cases may have a revenue from the sale of stamps and unemployment insurance stamps of about $82 to $115. This is the problem. That is about as full a report as I can give. Those people who are getting $13 a week are not full time employees. They are working in a store in some other occupation.

CORPORATIONS AND LABOUR UNIONS RETURNS ACT

ALLEGED DELAY IN SUBMISSION OF RETURNS BY CORPORATIONS

On the orders of the day:

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I should like to direct my question to the Minister of Industry, Trade and Commerce. In view of the fact that the provisions of the Corporations and Labour Unions Returns Act passed in 1962 commit the minister to present an annual report on the operations of business firms and unions in Canada, can the minister explain why the returns from the trade union section have been submitted on schedule while the last annual returns from the corporations section were for the year 1963?

Mr. Speaker: I think the hon. member might put that question on the order paper with profit. This might be a good time to call orders of the day.

BUSINESS OF THE HOUSE

PROVISION OF PRIVATE MEMBERS HOUR THIS DAY

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I rise on a question of order. Before we go on to the orders of the day I wonder whether we could revert to motions for the purpose of making an arrangement for the private members' hour this afternoon.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Macdonald (Rosedale): Mr. Speaker, many hon. members have pointed out the fact that since the first item of business today will be a resolution there will be no private members hour this afternoon, as indeed there was none yesterday. I believe, after discussion, that there would be agreement to an order along the following lines. I move:

That if the resolution called as the first order of business be not passed before 5 p.m. today and notwithstanding the provisions of standing order 61A, the hour between 5 p.m. and 6 p.m. this afternoon be given over to private members business, and that for the purpose of standing order 61A today be considered to be one sitting day under that standing order.

Mr. Speaker: Is there agreement to the motion?

Some hon. Members: Agreed.

Motion agreed to.

PRAIRIE GRAIN ADVANCE PAYMENTS ACT

AMENDMENT TO INCREASE AMOUNT, RATE OF CALCULATION, ETC.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Prairie Grain Advance Payments Act to increase to six thousand dollars the maximum amount of advance payment that may be obtained by a producer under that act during a crop year; to increase to twice the present rate the rate at which advance payments are calculated; to permit the calculation of advance payments on grain deliverable under unit quotas, and for other related purposes.

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

Hon. Otto E. Lang (Minister without Portfolio): Mr. Chairman, it is a great pleasure for me to rise in this house today to speak on a resolution which is of such importance to prairie farmers in particular. The amendments which this resolution proposes are very important at the present time, and I hope that everyone in the house will agree fairly quickly that this is indeed the case.

Perhaps it would be appropriate for me at this stage to touch briefly upon some of the history of the Prairie Grain Advance Payments Act and to describe some of its uses in the past. This act was proclaimed on November 25, 1957 and through it cash has been advanced interest free to grain producers in western Canada against the security of threshed farm-stored grain. This has meant that producers have been able to receive cash for their products when there has been a delay in delivering to country elevators. From the time the program began, approximately 21 per cent of the eligible farmers have each year taken advantage of this act. The total cash advances over the nearly 11 year period have amounted to about $450 million. Each year on an average approximately $40 million has been advanced in this fashion.

In the 1967-68 crop year the total exceeded $47 million in advances to 45,811 producers. The recovery rate has been particularly good over the period this scheme has been in effect. Something in excess of 99.5 per cent of all advances has been recovered. In this scheme the government has borne the interest charges involved, and the total interest to the end of July of 1968 has amounted to $7.5 million. The government's share of default has come to a total of $49,845. Both figures cover the 11 year period during which the act has been in effect.

It is interesting to note that it has been generally the smaller producer who has benefited from the act. In only one year, the last year, has the average advance for all producers exceeded $1,000. In this last year the figure was $1,032.

I would now like to touch briefly on the main features of the proposed amendments to the act. The maximum advance under the act will be increased from $3,000 to $6,000. Comparatively few producers have sufficient acreage to allow them to benefit from this increase alone, and to ensure that the smaller producers will benefit from the act the rate of advance per bushel is to be dealt with. This will change the present rates so that in place of 50 cents per bushel for wheat an advance of $1 per bushel will be available. For oats, the figure of 20 cents will be changed to 40 cents per bushel, and for barley 35 cents will become 70 cents. With these new rates, these producers will be able to obtain double the amount they could have obtained under the existing act.

• (3:00 p.m.)

In a subsidiary change, exceptions relating to the unit quota or the initial quota will be removed from the act. The unit quota, of course, allows each producer, regardless of his acreage, to make a specific initial delivery of grain. In the existing act, grain which a farmer has on hand to fill his unit quota is not counted in determining his eligibility for an advance. In the new act, the distinction between unit and regular quotas will be removed. Because no change is contemplated in the schedule for repayment of advances, the burden of repayment relative to the advance will be lessened. For various reasons, the unit delivery will also then be counted for repayment purposes, as it is for eligibility. I think this is a most important point, that there is no change in the schedule for repayment, and I emphasize it even though it is clearly not an amendment to the act. Because of the increase in advances, the lack of any change in the repayment schedule will be of distinct advantage to the producer.

I want to assure hon. members that in the proposed amendments there will be provision for those producers who may already have applied for an advance in this crop year. These producers will be able to apply for additional advances which will put them in the same position as a fellow producer who has not yet made use of the act. Other amendments of a more routine nature will not be enlarged upon by me here. Of course, there will be opportunities to discuss them at a later stage. They are generally designed to facilitate administration of the act in the circumstances of the larger advances which I have described.

The Canadian Wheat Board administers this act on behalf of the government and the elevator companies and their agents extend the advances to the individual producers on application. The act has functioned very well these past years. I want to express the appreciation of the government to the Canadian Wheat Board and to the various elevator companies for the effective manner in which this act has been administered.

The grain producers, too, deserve credit for their co-operation and a particular word of praise for their repayment record. This does not surprise those of us who know the character of the Canadian farmer, but I draw it to the attention of less fortunate members. I look forward, Mr. Chairman, to the approval of these amendments so that this act, so important to the farmers, can be brought more into line with present conditions.

Mr. Thompson (Battleford-Kindersley): I have a question for the minister. I did not quite understand the implication of his reference to the initial delivery quota and repayment. Would he clarify that a little? I am referring to the units.

Mr. Lang (Saskatoon-Humboldt): In the existing act, as the hon. member no doubt knows, the unit quota is not taken into consideration in deciding the eligibility of a farmer, nor is it taken into consideration at the time of repayment. Under the proposed amendments, any grain which a farmer may have on hand at the beginning of the crop year, or any grain he may have on hand, is counted in determining his eligibility. The amount which he may deliver on his unit quota will not be subtracted in the future from the amount of grain he has on hand, as is the case at the moment.

Hon. members will appreciate that this may be particularly useful to farmers if delivery is indeed very slow at the beginning of the crop year. Once the unit has been treated in this way for this purpose, then according to the same logic it is treated in the same way later in the year for repayment of the advance. So it is taken into account at that time.

Mr. Horner: Mr. Chairman, in rising to say a few words at the resolution stage of this cash advance legislation, I cannot help but note the minister's closing words. He said that these amendments would update the legislation and keep it in step with conditions. It is sad that western farmers have to have this legislation to double the advances that may be made. It is known, of course, that their costs have doubled. It is a sad thing, really, that very little has been done about this, but the farmer will be given a larger cash advance on his grain. It is a sad thing that something more has not been done to help reduce the costs or alleviate the load these costs impose on the farmer.

I cannot help but think back to the introduction of this act in 1957. We western farmers argued for something like this as far back as the fifties. The former deputy minister of trade and commerce said it could not be done; it would be impossible to administer. The statement of the deputy minister of that day is in line with the statement the Minister of Agriculture made today when he told the corn farmers of southern Ontario it was impossible to bring their product under the stabilization measure. As I say, the deputy minister of trade and commerce said at that time it was impossible to administer legislation of this type, but 11 years later the measure has been proven to be feasible.

I am glad that the present minister of external affairs, who at that time was deputy minister of trade and commerce, does not have to come before parliament as the Minister of Industry, Trade and Commerce is doing now and ask that this measure be approved. I am sure that would be a little too embarrassing for him.

There are some aspects of this measure which have not worked too smoothly. The minister did not refer to them, so I should like to bring them to his attention so that consideration can be given to them before the bill is introduced.

First, I should like to ask him if the elevator companies have been consulted with regard to the higher cash advances that will be paid? Are they in agreement with this idea? Second, it has become standard practice that a farmer can only have a cash advance once during a crop year. If a farmer has grain in storage, takes a cash advance on farm stored grain and then delivers grain to pay off that cash advance, even though he may have more grain on his farm he is prevented, for some reason or other, from taking another cash advance. I see no reason for this. If a farmer has paid off one cash advance why can he not take another? I should like the minister to consider this question because I think that provision has handicapped a number of farmers.

Another problem is related to the taking of cash advances on grain grown on rented or leased land. This has caused a great deal of trouble because in many cases the owner of the land is many miles away from the farm and it is very difficult to get his signature to a document granting permission for the farmer to sell the grain or take a cash advance on it. In my opinion the wheat board, the elevator companies and the government could work out a system whereby cash advances could be made on the farmer's share of the grain grown on rented land. I should like the minister to get together with representatives of the elevator companies to try to work out something along this line.

• (3:10 p.m.)

I should also like to say a few words about the farmers' ability to repay. If this resolution is accepted in its present form and the farmer may borrow up to $1 per bushel on his stored grain, then the very minute he delivers his wheat to the elevator company he has to pay back the advance he has received. If he is receiving at the delivery point only $1.50 a bushel, or $1.37 for No. 3 or $1.40, depending on where the delivery is made, and he has to deduct $1 a bushel for his cash advance, he will become more and more hesitant to deliver any grain. Therefore the payment will not necessarily be any great boost to the agricultural community.

I suggest that basically what the government should do is to allow the farmers to deliver their wheat as soon as possible, ensuring that there is a greater degree of even distribution throughout the prairie provinces. In the past couple of years there has been a great deal of difficulty in marketing grain, on one occasion because the railroads were reluctant to handle grain and wanted to haul potash instead. We have also seen in the past great interest on the part of the grain companies in storing low grades of wheat at the

Lakehead, which has caused some points to have more storage space at the end of the year than others.

I want to leave this point with the minister. This legislation is not necessarily going to solve all our marketing problems. The government is going to advance to farmers another 50 cents per bushel on their own wheat, but this does not free the government from the responsibility of marketing wheat. I urge the Minister without Portfolio and the Minister of Trade and Commerce to get together and establish an objective for this year as to the amount of wheat they are going to sell abroad. This will instil greater confidence in the agricultural industry on the prairies in the ability of the government to market wheat.

Last year the farmers had a very poor delivery quota, the maximum being something like six bushels an acre. Let me tell hon. gentlemen opposite that you cannot make a living growing wheat when you are allowed to sell only six bushels an acre, because it may cost as much as $2 an acre to spray for wild oats. It may also cost $1 an acre for fertilizer. Then there are all the other expenses, such as seeding and combining the grain. It costs over $3 an acre to combine grain, so how can a farmer operate with a six bushel quota?

The cash advance that is given to the farmer on his grain he has to repay eventually. The only way he can do this is to deliver his wheat, and he cannot deliver his wheat unless he has a sufficient quota and there is storage space at the elevator. If you follow the chain of reasoning, Mr. Chairman, it all goes back to the question of export sales.

It is interesting to note that about three weeks ago the United States government told U.S. farmers that they plan to export this year 750 million bushels. That is to be their target. Last year that was their target and in fact they exceeded it. This government has not got the intestinal fortitude, the confidence in itself or the initiative to say to the western farmers: We are with you; we will do our utmost to sell 450 million bushels of wheat this year. That is what the government should say. It is the duty of the government to give the farmers some hope of paying back the cash advances they will receive under this piece of legislation, instead of sitting on their hands with their mouths closed and saying that in three or even ten years perhaps they can sell a lot of grain.

[Mr. Horner.]

Under the cash advance legislation these loans have to be repaid in the year that the grain is delivered. Therefore I urge the Minister without Portfolio and the Minister of Trade and Commerce not to rest on their laurels because they are giving the farmers 50 cents more a bushel cash by way of advance. As I say, the farmer has to repay this sum when he delivers his grain. I urge these two ministers to go out and sell wheat and thus restore the confidence of the wheat growing industry of western Canada. This very industry has in the last five or six years bailed out the Canadian government from a lot of financial problems. Particularly during the last three or four years, our balance of payments problem was greatly relieved when Canadian exports of grain, mainly wheat, were stepped up to quite a large extent.

Therefore I leave with the minister this urgent plea. Let the government not be satisfied with a six bushel quota, as it was last year when the grain marketing year closed on July 31 last. Let the government tell the farmers that it will do its utmost to see that the quota is increased to at least eight, nine or possibly ten bushels. This is what the farmers want to hear and it will restore the confidence and way of life of this industry. I urge both ministers to restore that confidence because it is badly needed in this very important segment of our economy today.

Mr. Pepin: We will work at it seven days a week.

Mr. Horner: The farmer has to work 16 hours a day, seven days a week, so why not?

Mr. Pepin: That is what we are doing.

Mr. Gleave: Mr. Chairman, I have been long enough acquainted with the irrepressible member for Crowfoot to know that he has to have the last word. I certainly agree with the Minister without Portfolio that the proposal to increase the cash advance this year is in line with existing conditions under which grain is piling up on the prairies. Our farmers were short of cash before they went into this harvest season, let alone what their circumstances will be afterwards. Their situation has been complicated, of course, by bad weather. However, farmers have learned to live with different kinds of weather. If one were not prepared to suffer the consequences of weather, one would very soon cease to farm. The fact is that it is not so much the weather as the economic situation brought about by the present government and its administrative

policies which has caused the real difficulty for the farmers at this time.

• (3:20 p.m.)

The availability of farm credit should help to solve the farmers' difficulties, and the government has made a fair start in this legislation. Practically all the farm legislation we are considering at the moment is legislation having to do with credit, and the current piece of legislation we are now considering will be of advantage to our farmers. The money to be paid under this legislation does not bear interest and will not increase the cost of carrying a debt load. The farmer will still have that load but the cost of carrying it will not be increased.

All the same, this measure is strictly a temporary one. Any money the farmer borrows he must pay back as he delivers wheat and this, of course, brings us to the central question of our ability to market and sell his product. The wheat carryover this year is the highest since 1957, the year in which cash advances were initiated. It now stands at 733 million bushels of wheat.

The situation was aggravated to a considerable extent by the grain handlers' strike which tied up deliveries. The strike was allowed to go on far too long; fortunately it was settled eventually. The strike aggravated the problems inherent in slow marketing. At the same time, despite suggestions and requests made to the government the farmers will not be assisted in the building of grain storage facilities to handle the present crop. Instead, farmers will be forced to spend their own money or to borrow additional money in order to store grain. One may be sure that with a 733 million bushel carryover, a great deal of grain remains on farms.

If you go to my area of Saskatchewan and down the road to the east from my farm you will find a man who farms a section of 640 acres. This crop year all his granaries, with the exception of one small one, were filled with wheat. At another place farther down the road is another man who farms a section and a half, 960 acres. That man has grain from the previous year sitting in temporary storage. There is not point in mentioning names, but if you travel about the district you will find, a similar situation prevailing generally. These farmers are not large farmers when one compares them with others in western and central Saskatchewan but they must go out and buy granaries to store their grain, as I must. Out of our resources, out of our savings, we must draw money to build storage facilities. This money is dead money; it is lost money because the storage bins are of value only for the storage of grain which cannot be sold. If anyone on the government side has the idea that the wheat economy of Saskatchewan can or will operate on a six bushel quota, he had better disabuse himself of this idea because it will not.

The corn growers came to stand in front of the parliament buildings in Ottawa. I tell you, sir, that if it were not for all the rock, bush, and water in the pre-Cambrian shield between here and Winnipeg, you would see just as many farmers from Saskatchewan driving their tractors here and standing on the front lawn.

I wish to impress on the house that this is a temporary piece of legislation; it solves the problem temporarily. I hope no one is lulled into the idea that our problems have been met and resolved. I do not blame the government for our slow wheat trade on the international market. Anyone can read the figures. I do, however, criticize the government for restricting some imports, and in this connection I shall mention an example. We restrict imports from Singapore. I read a press report saying that customs officials had put pressure on Singapore traders to force them to put "voluntary quotas on exports of cotton shirts and trousers," no doubt to protect the textile industry in Canada. That was the sort of method we used with the Japanese for years. The restrictions are not really voluntary. The quota on Japanese colour television sets has been cut back recently in order to allow the industry in Canada to compete effectively.

Sir, Japan is just behind England in being one of the largest buyers of Canadian wheat. Is this our way of increasing wheat sales? Is this how we want to encourage our wheat to move into the markets of the world? That sort of thing violates the spirit and the intention of some of our trade agreements. Is this the new look of the new society or is it simply the old protectionism of the thirties being updated and made to fit conditions in the 1960's. If we want to sell grain or other products we must make progress in the trade negotiations which have been going on.

Western farmers viewed with uneasiness the end of the international wheat agreement. The new international grains agreement still has to prove itself as being a workable instrument. Before the agreement came fully into force we saw what happened last year. The United States and two or three other competitors slashed prices, and it fell to us in Canada

to bear the brunt of maintaining the existing price structure until the grains agreement could be signed. The western farmer paid the shot.

From my observation, I do not think any great progress was made in the GATT negotiations in breaking down barriers for agricultural products. I base my opinion on the observation that the restrictions on agricultural products entering the European Common Market remained practically the same as they were before. In the European Common Market agricultural products are subsidized and the market is protected against Canadian farm products. Our best chance at the moment appears to be in the Asian markets. I notice that the Australians have developed a brand new product for sale to the Indonesian market; they call it Rycena. Perhaps we should be doing more along these lines. I doubt whether we are moving fast enough at present.

• (3:30 p.m.)

During the election campaign we heard about a proposal to recognize the People's Republic of China—I think that is the proper designation. This is what the grain growers out west, where I live, were told. However, now that the government is in office, I do not read in the press these days of any great haste about doing this. If anything is being done I shall be pleased to hear so. It is to this area we must look for the increased markets we need.

We are told by the Minister of Industry, Trade and Commerce that we are to have a new national grains council, whatever that may be. I have seen press releases about it. The other day I asked the minister whether he would table the terms of reference and explain the purpose of the council, as well as give us the names of those who were to become members. As I read his reply in *Hansard* I understand he is ready to table the names of the members after they have been appointed. There is no mention of his attitude toward making known the terms of reference. I think it is important we should know the purpose of this proposed council and its terms of reference. In short, we should be told what it is for.

Over the years, indeed, practically speaking, during my lifetime, we have built up grain marketing machinery in western Canada largely as the result of the efforts of the farmers who live there and produce the grain. We have built the kind of marketing machinery which we thought was best suited to do the job. We had a fair amount of trouble while doing so and we encountered some rough experiences. But out of it all we emerged with the Canadian Wheat Board, a staff who knew how to run it, the Board of Grain Commissioners, capable of controlling and overseeing the grain trade, and under them a staff of technical people well versed in the technical aspects of wheat marketing. More to the point, they are capable of handling wheat and grading it. Over the years we built up this system.

Within the Canadian Wheat Board we developed a staff with the knowledge and ability to sell wheat—and I know whereof I speak because I have sat with them overseas during two international negotiations. Certainly you cannot find more able men. We have people in the experimental service who know how to breed wheat and develop it. I wish we had more. I wish governments in the past had seen fit to provide money so that we did have more. No new variety of grain is approved unless these experimental people approve it and unless the Board of Grain Commissioners and the western grains standards committee give it approval. So if the sale of wheat is to be an imaginative, onward going process, there are already people with the brains and skill to do the job.

Now we are to have a national grains council. According to the last report I read, they are to meet in Winnipeg and consider their terms of reference. These could be wide. If those terms of reference include wheat selling, pricing and so on, does the government intend to listen to the advice of the proposed national grains council or of the Canadian Wheat Board? Surely the time has come when the Minister of Trade and Commerce should answer fully the question I put to him in this house and tell us what the purpose of this grains council is to be. Like the trade policy of the government, like the foreign policy of the government, this will affect our well-being as wheat growers. Unless we do better than we have been doing, next year perhaps the Minister without Portfolio will be offering us loans of twice $6,000, that is $12,000. They have already gone up from three to six. Unless a better job is done he will be back with a worse problem next year, no doubt about it.

The farmers offered at one time to put up their own money for wheat utilization. The offer was not accepted, and I do not know why. In my experience in farm organization I do not recall many occasions when all the

unions and federations of agriculture in western Canada were completely agreed on one thing. On that occasion they were, but the offer was not accepted. What we really need are trained, expert people, men who are trained in our experimental and research systems, trained in the Wheat Board's selling techniques, equipped with the technical know-how which lies at the core of the Board of Grain Commissioners operations and which has always been available to government. If we marshal this skill and experience we will make progress. We do not need a lot more opinions. What we do need now is a fair bit of action.

Mr. Korchinski: Mr. Chairman, I wish to say a few words on this occasion. First of all I want to congratulate my neighbour from the constituency to the west of my own upon having been appointed Minister without Portfolio, and upon having the opportunity to introduce legislation of this type. During the ten years that I have represented the people of my constituency I have recommended to them that they make the maximum use of this legislation. I have told them they should take advantage of the fact that the government of this country had faith in them and believed their grain would eventually be sold. This was primarily the thinking of the government in 1957 when it introduced the cash advance legislation. Up until the time that the Conservative government took office the attitude of the preceding government had been that it had no faith in the farmers' ability to sell their grain, and it did not believe cash advances should be paid to farmers for grain stored on their farms.

• (3:40 p.m.)

It is interesting to see the transformation over the years. I know the minister was quite sincere in his pleasure when introducing this legislation at this time. I note that over the last 11 years it has cost the treasury something like $7½ million in order that farmers may derive benefit from this legislation, and not only the farmers but all business enterprises right down the line. Up until the time cash advance legislation was introduced, business was at a virtual standstill until some grain was moved. It came to the point that grain could not be moved off the farms until January, by which time the roads were blocked. It was impossible for farmers to get to the bins without a vast expenditure on snow plowing. The result was that many farmers were practically on a starvation diet all winter. All that changed following the introduction of cash advance legislation.

I can remember the days when long lines of trucks were hauled by horses, carrying heavy loads that made the horses almost double up by the time they reached an elevator. Sweating horses stood for three quarters of a day waiting for the trucks to be discharged at an elevator. Those days are gone, and it is a good thing that they are.

I have taken advantage of the cash advance legislation in the years that I have farmed. In my own farming operation I know that property taxes have increased again this year. Fertilizers are more expensive. Labour costs are greater. Now the government is introducing legislation that will raise interest charges. Inflated land prices have resulted in greater costs every year. Machinery costs have gone up, and each year the annual trek to the bank has become a little harder.

Losses on sales of grain have played havoc with the farmers' income. This year we have poor quality grain. I understand that the crop in the southern part of my area was frozen this year, and that, as a result, returns on it will not be too high. In fact I know that a lot of the grain will be sold as feed. The amount of money a farmer will receive for a bushel of wheat will be just slightly over $1.

As a result, and even though cash advances will be available, the farmer will be somewhat reluctant to take advantage of this legislation because he knows that when he delivers his wheat to an elevator he will not receive a very big cheque for it. The farmer always worries what he will do when the time comes that he has no grain to sell and he has no further source of income.

According to the statistics that I have before me, grain sales last year were 180 million bushels lower than the previous year. It is interesting to recall that when cash advance legislation was being advocated the suggestion was made that the Wheat Board would resign. But experience over the years since then has shown that this legislation, instead of making things more difficult for the Wheat Board, has enhanced its position. It has not been subjected to the same type of pressure from farm groups, and people interested in the marketing business, to move all the grain immediately. As a result the Wheat Board has gone about its business of obtaining markets as efficiently as possible. In fact cash advance legislation has left the road clear for the board to operate as efficiently as it sees fit.

I see that one of the amendments the minister has indicated he will introduce will raise the advance to $1. This was one of the suggestions my party advocated during the last election campaign. The Liberal party was somewhat reluctant to accept it, but now I am glad to see that party has adopted it. Next year we hope that our crops will not be as inferior as they are this year, with the result that once more the situation will improve.

The hon. member for Crowfoot has suggested that when a farmer takes a partial advance and has repaid it he should be able to obtain a second advance. This would be in the case of a farmer not taking the maximum amount of $6,000, and having the necessary grain. In such event he should not be restricted to one loan.

There may be good reasons why a farmer will be hesitant to take the maximum loan. First of all, farmers want to be able to repay everything they owe. They do not want to be so close to the line that they will be in default. Second, a farmer may be reluctant to obtain the maximum amount, because when he delivers a load of grain to an elevator he does not want half of his cheque sliced immediately to repay his loan. A farmer may require just enough to tide him over until January 1. Then comes another year for income tax purposes, and he may need money immediately after January 1.

Further, if a farmer were allowed to obtain a partial advance initially, the amount that would be charged to the treasury by way of payment on interest would be lighter. Then the farmer could obtain a second advance at a later date. For these reasons I suggest that the minister should consider the possibility of making provision for at least two, or if necessary three partial advances. Such a step might be cheaper in cost to the treasury.

Another matter I wish to mention is that of absentee landlords. In some cases these landlords are even out of the country, while in others they are far away from the area in which they own land. I know the difficulty involved here. In conjunction with the rest of my operation I work my brother's land. Sometimes it is impossible to contact him, yet on occasion we may require a cash advance. If for example the total cash advance allotment were $6,000, and if the landlord's share were $1,000, then I should be granted $5,000 provided I sign a statement. Second, the permit book should be arranged so that in a year that land is being summerfallowed a statement could be signed by the landlord or renter to the effect that there would be no share coming due to the landlord.

• (3:50 p.m.)

These questions have been asked many times over the years. Many farmers find themselves in the position that they would forget about a cash advance rather than go to the trouble of finding the landlord. We should make it possible for as many farmers as possible to get cash advances if they require them.

I should like to refer to one other aspect regarding the need for cash advances. There has been a tremendous drop in grain sales. As I pointed out the other day in this house, we have been told that one of the reasons grain sales had decreased was related to our high quality grain. We know this year that we will have sufficient quantities of low quality grain. Why have we not had an announcement of an increase in sales? What excuse does this government intend to give for failing to make such an announcement. We certainly have no shortage of low quality grain, so why is there a delay in finding markets?

We are always very conscious about creating savings for our farm community. It seems to me that a savings could be created by extending the use of Churchill for the shipment of grain. The minister is a strong advocate of the use of this port, and I am sure the farmers would be able to save money in this way.

I was interested the other day to hear the minister say, in replying to the hon. member for Saskatoon-Biggar, that a study was being conducted regarding the possible extension of the use of the port at Churchill. I asked today whether this was an interdepartmental study. Very often such studies are secret and one is never aware of the results. What has happened in the past is that interdepartmental studies are used to maintain the status quo and support what the government has been doing. What I am attempting to suggest now is that a commission should be set up to which all interested parties could make representation. It should hold public hearings to discuss why greater use is not being made of this port. Perhaps the reason relates to high interest rates, and if this could be determined perhaps a solution could be found. In any event the results of these studies should be brought out in the open so that we may all know what the trouble is. Surely there must be a solution, and various organizations such as the Hudson Bay Route Association have been hammering at this idea for a long time.

I am sure these organizations will be reasonable if a proper explanation is given, but they are not satisfied with this under-the-table and behind-the-curtain action.

I asked the Minister of Transport today whether there was going to be a report released on the study that has taken place, but he did not know. Not long ago he said, with a swelled chest, that this was one of the fine things this government was doing. Today he said he was not sure the results would be made public. Perhaps he has read the results and does not want to make them known.

During the election campaign the Prime Minister said that one of the objects of his government was to sell wheat. He referred to an estimate that over a period of three years we would sell 1,300,000,000 bushels of wheat. I hope the government will show some leadership in this regard. Whether things will change as a result of the establishment of a grain council, I do not know. I am not sure that this council will do any more than has been done by the Wheat Board or the Department of Trade and Commerce. Perhaps we will see some results, but what can the grain council do that is not being done by the Wheat Board? What authority, power and management will that council have? I suspect it is a haven for has-beens. I suspect that this grain council has been established for the benefit of unsuccessful Liberal candidates and defeated Liberal members of parliament. If this is all window dressing, then we should know.

There has been a decrease in the total cash receipts, and according to the D.B.S. figures the decrease was due to a decrease in the sale of wheat on credit. On the other hand we read headlines in Canadian newspapers that Canada bread has hit an all time high. It is not easy to understand why bread has gone up two cents a loaf. There has been a suggestion made that the price of bread increase by two cents a loaf and that the domestic price for wheat should increase by $1. Perhaps it is time to put a task force to work to study this question.

Often we have heard the statement that the price of wheat should not be increased because the poor people who have children will suffer. This is a typical excuse. Let me make an alternative suggestion. If we are concerned about the situation, we can help these people with children by increasing the family allowance. Perhaps this would solve both problems. They would welcome the increase and they would be in a position to purchase more.

Let me conclude by congratulating the minister. I hope there will be more farm legislation introduced in this house to the benefit of the farm community. We do not want more demonstrations like the one we witnessed this morning, but perhaps this is a time of protest and demonstration. I hope the government will introduce other legislation of the type we have before us today. I strongly recommend the adoption of this measure and I am happy the minister has had this opportunity to introduce it.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I should like to speak for a moment or two about this measure. If I were the new Minister of Agriculture introducing my first bill in this house I would introduce a bill similar to this, because it really does not encourage a great deal of controversy. Let me say about this measure what I said about a similar one the other day, that by increasing the amount of loans to $6,000 the government seems to be emphasizing that the agriculture industry, particularly in western Canada, is now a commercial as opposed to a subsistence operation. This seems to be the view the government now takes: It is considering agriculture as a commercial operation.

• (4:00 p.m.)

If this is the case, the government should recognize some other factors. They should recognize that this is a very competitive business, if we are now considering it in the business sense; that margins are narrow, good management is necessary, and volume is essential. Naturally, to have volume we must have sales. I would like to make a suggestion about a change in the act. I understand that in the old act there is a limit on borrowing. You can borrow only up to a six bushel quota. I wonder whether this might not be raised to an eight bushel quota. I believe this would be more realistic, in view of the costs involved in prairie agriculture today.

The government may very well say we will have trouble getting rid of six bushels, and this may be true. But if government money is invested in wheat it would take a load off the shoulders of the farmer and improve farm economy. It would assist the farmer and those depending on him, and it would tie up some government money in wheat, which would give the government a more direct interest in selling wheat. It would perhaps encourage them to hurry sales along.

The hon. member for Mackenzie, and I believe also the hon. member for Crowfoot,

suggested that the loans might be split into two. I do not know that I am particularly opposed to this suggestion, but I wonder whether we should arrange our legislation so that farmers can avoid paying income tax.

I point out that those who take the advance, and particularly those who take it all in one lump sum this year, need to be careful. If they had a large grain payment last spring, have sold their six bushels and now get a $6,000 advance, it may present them with quite a problem in that next spring there will be no payment, or a small payment, on the grain. They will have 50 cents a bushel less on grain delivered next year, and they may have to pay some income tax. Taking this amount of money in one lump sum would present problems next spring. Farmers must take care and manage their businesses with a good deal of consideration. In the long run I think this program will work itself out, but to start with I would recommend that farmers be careful.

I would like to emphasize the short term nature of such an advance. If I as a farmer borrow money today, I have to pay it back by July of next year and perhaps I have sold no wheat in the meantime. It is a short term type of thing. It is a good thing as far as it goes, but it does not really do anything to solve the over-all problem. I noticed when checking the figures that the cash advanced in the past has gone from a high of 76,000 farmers one year to a low of 22,000 farmers in another year, and approximately 25 per cent of the farmers have taken advantage of the program.

I suggest that if sales had been larger there would have been less need for this change in the act. If markets had not been lost last year, this problem would not have arisen. However, due to the lack of activity of the government, or their turtle motion, last year we lost markets that should have been ours. The Canadian government should pay attention to what the United States and France are doing, to what the big kids are doing. We were left out in the cold when we woke up to the fact that these people were taking our markets away again. It might be said that this is in the past, but I suggest that we still have the wheat and the problems are still with our farmers.

In this connection I think of an advertisement put out by one of the car companies, "We have to try harder because we are only No. 2." I suggest to the government, and in particular to the Department of Trade and Commerce, that we are less than No. 2; we are down to about No. 3 or No. 4 and it is high time they woke up and paid attention to what is happening in this area.

I should like to suggest that the government pay serious attention to these problems. We have all this wheat and the problems are with us. The government should consider the problem as being here. We might start, for example, by offering long term credit to countries who need grain or flour. When I say long term, I mean at least five years. It could be more for some countries. We might consider taking soft currency, which is of course in the form of a loan. We might consider changing our trade policies even if we have to accept some element of bartering. This question has been discussed in the prairies for a considerable length of time. It was mentioned in part by the hon. member for Saskatoon-Biggar, but I should like to deal with it by giving this illustration.

Since coming to Ottawa I have been renting a television set. Looking at colour television sets, I went into a store which was having a sale, and the fellow in the store was anxious to sell me a set. I asked him, "Where was this television set made?" and he replied "This was made in Chicago." I have nothing against the people of Chicago, and nothing against television sets, but I do object to mortgaging a piece of the country by buying an American TV set when I have wheat which I cannot sell on my farm because Japan cannot export their television sets. This does not seem reasonable to me and I think it is high time we took a different look at our trade policies. We might invite other countries, Japan in particular, to carry out some industrial construction here. With their brains and ingenuity they could do this and it might pay for some of the things they purchase from us, particularly grain.

I should like to make a brief comment about the grains council, although I am not yet sure of its intent, its construction or what it is to do. I suggest, however, that if it is another idea group—and I have nothing against ideas—an intellectual group solving a problem is no good unless you have a man of action. I suggest to the Minister without Portfolio that it is high time he and the government were prepared to take some action with respect to whatever ideas might be put forward.

There is a story told about an old farmer who was informed by an agricultural

representative that he should take an extension course to improve his method of farming. The old farmer replied, "There is no point in my taking this course because I am not farming as well as I know how now." This is my opinion with regard to the trade policies of the government and their selling of wheat; I do not think they are doing as well as they know how now.

Mr. Lang (Saskatoon-Humboldt): Mr. Chairman, I would like to thank hon. members for their comments and questions in connection with the resolution before us. I see that there is, as I had expected, general agreement about the purport of the resolution, but I should like to deal with several of the questions which have been raised. In a general way I say first of all that I would like to assure the hon. member for Crowfoot and other hon. members about the conscientious nature of the minister with whom I have the honour to be associated in the Department of Industry, Trade and Commerce. I pledge on my own behalf a bit of conscience, and indicate to hon. members that we recognize that today's changes are by no means the whole solution, nor do we put them forward in any way as the whole solution to our agriculture problems.

Let me say to hon. members that we are determined to put forth every effort in connection with sales, and that we quite appreciate how important this is in terms of the present prairie conditions. We will look at every avenue to obtain this objective, and I appreciate the advice of the hon. member for Battleford-Kindersley in this regard. It was stated by the present government during the course of the recent election campaign that greater use of credit would be one of the means used to assure better sales of wheat. We are legislating on one today. I think every suggestion put forward is worth examining closely.

• (4:10 p.m.)

With regard to some specific points raised, I would like to say first that I am not sure the hon. member for Crowfoot understood my comment about repayment, and that the repayment schedule will in fact remain unchanged in the new legislation. This means that it will continue to be 50 per cent of the initial price, rather than the one dollar which I thought he referred to.

Some hon. members have commented on the advantage to the farmer of being able to make more than one application. Serious thought was given to this whole question. It would be much more difficult administratively to adopt this procedure. I think here the hon. member for Battleford-Kindersley put the matter quite well. The hon. member for Mackenzie suggested it was obvious that having only one application was apt to be a greater charge on the treasury than having two. The truth is that, even though that is true, it will be considered more economical to have the larger advances on the basis of one application than to have two applications and the administrative difficulties that are involved. We must be particularly careful that people who are not most in need of advances might conceivably use it for objectives which are not envisaged by the legislation if two applications are involved. This is what I think the hon. member for Battleford-Kindersley has referred to in discussing the income tax position and the difficulties that might be involved there.

We also took a hard look at the difficulties producers have when they are renting land, because of the requirement that the landlord's signature be a part of the application. There seemed to be no legal way out of this dilemma, in view of the provincial law which applies in most cases and which in most cases makes the grain a part of the property of the landlord jointly with the tenant. It would really require a change in that provincial law before a change in the present federal legislation could be made. I do not want to give offhand legal advice in this respect, but it may well be possible for tenants to obtain appropriate consents in leases to deal with this matter in the future if they were so advised.

I think those were the main matters which were germane to the resolution before us. A number of references were made to the grains council and its implications for the future. I may simply say, because these matters were raised, that it seems to me there is adequate room for a grains council, even for some of the purposes to which hon. members opposite referred, such as the whole question of research, and the question of making the best use of the best means of transportation, which are matters related to the sale of grain but are not entirely within the scope of the Wheat Board as presently constituted.

Finally, what has been said frequently before, may I emphasize again, that nothing that is done in favour of a grains council is intended to interfere with or impair in any way the operation of the Canadian Wheat Board, which has had such a successful history.

Mr. Benjamin: Mr. Chairman, I have two or three points which I should like to make with regard to this resolution, one of which I do not believe has been put forward. First, however, I wish to add my congratulations to those expressed by the hon. member for Battleford-Kindersley to the Minister without Portfolio upon bringing in such a good measure. It certainly merits support from all sides of this house.

I should like to say, in recalling the history of the great battle for cash advances which began in 1949 and took until 1957, that it is rewarding and satisfying to a number of hon. members to welcome the conversion of many people on the other side of the house. I would also like to say that I hope this will destroy the myth which was perpetrated in those days, and for the first year or two after cash advances were put into effect, that you could not trust the farmers, that if you paid them for some of the wheat which was in their granaries there was danger they might default on hauling to the grain elevators. The fact is that out of $450 million advanced in 11 years something in the neighbourhood of $45,-000 was all that was short in terms of repayment. I submit that this record is unequalled in any section of our economy in the dealings of the people with their own government. People in the farm industry have always enjoyed a good reputation, and now they have established this good record which I think probably some other segments of our society could emulate.

One thing which I would hope all hon. members in all parties from areas other than the prairie provinces would tell the people in their respective constituencies is that cash advances on farmers' grain is not a subsidy or a gift. In too many urban centres, even in the odd place in the prairies and certainly in other parts of Canada, some people believe or have been given to understand that this is some sort of gift or subsidy to the agricultural industry. It most certainly is not. All it represents is an advance on the farmers' wages and earnings. No one in any other occupation would agree to receiving his pay once, twice or three times a year. I am sure that if members of this house were to get their indemnity cheques at Christmastime, next spring and when the house adjourned for the summer holidays, they would object loudly and would not stand for it.

Prior to the time of cash advances farmers had to put up with a lack of funds. This is not a subsidy, they are just getting what is rightly their due for their production. This provides them with an opportunity to get an advance, and when they finally deliver the wheat they receive the balance of the money that is due them after the cash advance has been deducted. As long as export grain sales are inadequate, as long as storage facilities both in the country and at the terminals are congested, and as long as railroads do not provide adequate rolling stock when there is space for grain movement, cash advances will be necessary under the law.

May I add to the remarks of the hon. member for Mackenzie in support of the greater use of the Hudson Bay route to the port of Churchill, that although his party had the unique opportunity of being the government of this country for six years and had the chance to implement the vision and use its imagination to really do something there, it passed up that chance. I do not think there is anyone in any political party in the three prairie provinces who does not favour and support the greater use of the Hudson Bay route.

It seems to me that here again is a matter which requires from a government, vision, imagination and courage the like of which no national government has yet shown. It will require a new roadbed, double tracking, centralized traffic control systems, new terminal elevators, one or two atomic powered ice-breakers, and a huge increase in the capacity of the terminal space at Churchill. It may also mean that the federal government will have to get into the marine insurance field, if that is the only thing that is holding us up from getting larger exports out of the port of Churchill. It will mean building a city and putting the city under a roof, if necessary. This is the kind of imagination and effort that is going to be required if we are going to make use of the northern resource facilities that are there.

• (4:20 p.m.)

I hope, Mr. Chairman, that in its drive for justice and in its expressed agreement with the new politics, however that is interpreted, the government will give consideration to these things. They may sound like dreams or visions, but it seems to me these are the kinds of things that lead to great achievements. I hope that all members here will give consideration to this kind of imaginative proposal. I hope members on the government side will put pressure on the government to help support these measures. I know that I, personally, and the members of my party wholeheartedly support this resolution. I want to compliment the minister on being the one

who introduced it, and let us hope that before too many years have passed the export of grain has so improved that cash advances will no longer be needed.

Mr. Horner: I should like to direct a question to the minister. Did I hear him correctly that repayments would be at the rate of 50 per cent of the price of the grain? Supposing a farmer is selling his grain at $1.37, say it is No. 3 at the delivery point, he would only have 50 per cent deducted to pay back the cash advance? Am I clear about that?

Mr. Lang (Saskatoon-Humboldt): That is right; there is no change in the act in this regard at all.

Mr. Horner: If he borrows on grain at a dollar a bushel, he is going to have to have a surplus in order to make up the difference. If he sells grain at $1.37 a bushel and the rate of repayment is 70 cents per bushel or less, then he is not going to be able to take full advantage of the dollar per bushel cash advance because he would have to have a surplus in order to qualify at that rate of repayment. Either that, or the government or the elevator company will be out money.

Mr. Lang (Saskatoon-Humboldt): I think the hon. member has put his finger on a point of real advantage to the farmer under the new proposal. In any year in which deliveries were low, there would not be repayment but he would be carrying it all over for the new year. I think this is an advantage under the new act, but I think that advantage will become clearer when the bill is before the hon. member. However, I will be glad to discuss the point during the clause by clause discussion.

Mr. Southam: I would be remiss in my duty this afternoon if I did not add a few comments in this debate on the resolution amending the legislation to provide interest free cash advances on farm stored grain. This is, in fact, emergency legislation and has been a very important factor in improving economic conditions of farmers. It will be recalled that ten years ago we had a very great pile-up of grain in our terminals, in elevators, in farmers' bins and even in skating rinks in western Canada. At that time we thought it was necessary to introduce legislation to relieve the cash shortage. I can remember, too, that some hon. member sitting opposite felt it was not possible to have such a measure, but it has turned out to be one of the most effective pieces of emergency legislation ever brought into this house.

Interestingly enough, and it has been emphasized here many times, the record of repayment in connection with these advances has been excellent. I do not believe, therefore, hon. members will have any qualms about supporting this measure. As a matter of interest, too, the situation which existed ten years ago exists today in even more exaggerated form. At that time we had over 700 million bushels of grain piled up in storage. We find the same situation existing today, as was pointed out by the hon. member for Crowfoot in this remarks this afternoon. This condition has resulted from the lapsing of the international wheat agreement. Again, I believe, the present government and hon. members opposite can be taken to task for allowing this situation to arise. Debates on this subject have taken place before, and there will be more heard about it when the Kennedy round agreements are debated because western agriculture in particular was sold down the river when the international wheat agreement was allowed to lapse for 11 months. This fact brought about the present emergency conditions in western Canada. As hon. members know, this international wheat agreement was the farmers' Magna Charta or Bill or Rights. This international wheat agreement was of benefit not only to exporters in Canada, Australia and New Zealand but to many importers as well.

The farmers of Canada have been asking why something which worked so effectively for 18 years was allowed to lapse for 11 months, and create this emergency situation in so far as Canadian grain exports are concerned. We are now in a situation where we have to reinstate this legislation to help us out of the emergency which has developed in our agricultural economy. It is only right that we should be asking for an increase in the amount of money available because, in the intervening ten years, production costs have gone up. Taxes are higher, machinery prices have doubled, repair bills have doubled and, in some cases, the cost of living has almost doubled. The result is that the $3,000 which was made available under this legislation ten years ago is inadequate today.

I am very happy to support this proposal, Mr. Chairman. I must congratulate the Minister without Portfolio, who has had the honour of introducing these amendments. He comes from the same province as I do, and therefore fully realizes the emergency conditions which exist there. I want to assure him that I am wholeheartedly behind the principles involved. I believe the records of the

house will indicate that when it became evident last September the farmers of western Canada would be short of cash, I urged consideration of this measure.

I can recall one night on the "late show" having Hon. Robert Winters, then minister of trade and commerce, listening to my case. I was not too happy with an answer he had given earlier concerning this legislation. At that time I was advocating that we should bring this legislation back into the house in order to double the cash advances available to meet this emergency with which the farmers were faced. As I say, Mr. Chairman, I am very happy to support this measure. I am glad the government has seen fit to take the advice of the opposition, and to give this measure priority. When the session first opened, I mentioned this measure should have priority. The agricultural industry in my area is in dire need of cash at the moment because farmers have to pay their taxes and the penalty for late payment varies anywhere from 5 per cent to 10 per cent. They have machinery bills and repair bills to pay, as well as other overhead expenses. A number of things have hindered the movement of grain, such as the lapse of the international wheat agreement, the St. Lawrence seaway strike and the strike of terminal elevator employees which was settled a few weeks ago. This will be one step forward in helping to alleviate this problem. As I said a few moments ago, Mr. Chairman, I support this legislation wholeheartedly and hope to see it on the books as soon as possible.

• (4:30 p.m.)

Mr. Korchinski: Mr. Chairman, may I ask the minister a question. I know he indicated that this was a legal matter, but has he looked at the possibility of providing several permit books for the landlords and tenants? Could there be one book for the landlord and one for the tenant?

Mr. Lang (Saskatoon-Humboldt): The difficulty here, Mr. Chairman, lies in the ownership of the wheat. If the wheat is owned by both jointly, then without the consent of the owner of part of the wheat it is difficult to do anything.

Mr. Horner: I wonder whether I could ask the minister a question. Is the government not changing the amount available on a quota basis? I understand that cash advances are now made on the basis of a six bushel quota. If the government is increasing the total amount available from $3,000 to $6,000, and is not changing the quota, then is the government not just helping the big farmers with a big acreage? In other words, you would have to farm 1,000 acres and have 6,000 bushels of wheat in storage in order to take full advantage of this $6,000.

Mr. Lang (Saskatoon-Humboldt): Mr. Chairman, it is clear that raising the maximum is only relevant to those who are close to the maximum now in terms of their deliveries. Since the amount which may be advanced per bushel is doubled, then even the farmer with very few bushels may receive $1 a bushel on his wheat, whereas now he receives 50 cents a bushel. This is of crucial help to him.

Mr. Horner: I realize that, Mr. Chairman; but take, for example, the irrigated area in my constituency where there is not a huge acreage but there is high yield. Some area farmers are straight grain farmers and this legislation will not be a big help to them, really, because they will not have the delivery quota base that the government requires them to have.

I wholeheartedly agree, Mr. Chairman, that the delivery quota should be increased from six to possibly eight or nine bushels so as to give some benefit to the small farmer who is intensifying his yield by means of fertilization, water irrigation and so on. We have to provide for these people too. We must also recognize and encourage technological advance. Some farmers make better use of the up to date advances that are becoming available. However, in drafting the bill I think the government should consider very seriously moving these farmers from a six bushel quota to possibly eight or nine bushels in any case.

Mr. Diefenbaker: Mr. Chairman, the point that has been raised is one that has certainly had cogent arguments advanced by the hon. member for Crowfoot. What would be the objection to increasing the quota for the purpose of determining the amount that might be advanced to any one farmer from six to nine bushels? If that were done, Mr. Chairman, then the small farmer would be in a position to receive a reasonable amount.

As far as the general plan is concerned, Mr. Chairman, I remember the circumstances under which it came into being. As soon as I became prime minister I asked forthwith that action be taken in this regard and that advances be made on farm stored wheat. We had asked for that for several years prior to 1957, and the answer in every case was that

those who had an understanding of the operation had come to the conclusion that there would be very large losses in connection with giving loans on farm stored wheat. However, I asked that it be done, and the civil servants went to work and produced a plan.

I ask this for information purposes, Mr. Chairman, because the argument that has been advanced is most appealing and, on the face of it, worthy of serious consideration. The wheat will be there whether the quota is three bushels, six bushels or nine bushels; it is in storage. What we are trying to do is to provide an extra amount over and above that now provided for, so that the average farmer will have the necessary funds available to meet his expenses because he is unable to sell his wheat. Would the minister not give reconsideration to this, what I think is a very thoughtful suggestion, one that could not by any chance cause losses to the treasury, while at the same time increasing the value of the legislation?

Mr. Lang (Saskatoon-Humboldt): Mr. Chairman, it is particularly delightful for me to rise after the question asked by the right hon. member for Prince Albert, with whom I feel closely associated, if he allows me to say so. He is a very distinguished graduate of the law school with which I had some connection. He also gained a great deal of affection in years gone by in my own province, among others, for speaking about a proposal similar to the one we are talking about today.

At the same time, Mr. Chairman, I really did not mean to ignore a similar comment from the hon. member for Crowfoot, but in the discussion we had a moment before I was trying to explain that the truth of the matter was that, in terms of the repayment schedule under the new legislation, effectively the small farmer is in the position of having a nine bushel quota, or rather an 8-point-something bushel quota.

In fact, Mr. Chairman, an examination of the situation in Saskatchewan, with which I am most familiar, would reveal that the smaller farmers do not frequently have on hand grain in excess of the amount envisaged in the new act. It then becomes a matter of delicate judgment whether any additional help we might give should be given more in this fashion or in some other fashion.

Mr. Korchinski: Mr. Chairman, may I follow up something that I raised earlier. Would the minister explain for my benefit where this additional cost might be? Where would the additional cost arise in perhaps giving the farmer two advances?

Mr. Lang (Saskatoon-Humboldt): It would be in administering the scheme, in dealing with two applications per farmer rather than one application per farmer.

Mr. Korchinski: I understand the Wheat Board uses a computer, and I should not think there is anything to putting another card into the I.B.M. machine.

Mr. Lang (Saskatoon-Humboldt): If these machines ran free, or even on flour, I think that would be true.

Mr. Horner: Mr. Chairman, I should like to pursue the discussion about the small farmer. An I correct that the minister said that in the bill provision will be made for the small farmer to pay back faster than the large farmer? If so, will there be an acreage differential, or did I misunderstand the minister when he said provision will be made in the bill for the small farmer to pay back on the basis of a nine bushel quota? I did not understand what the minister meant by that. I do not see why the quote basis in the bill could not be moved up to eight or nine bushels, because this would certainly be of more benefit to the small farmer. Would the minister clarify that point?

Mr. Lang (Saskatoon-Humboldt): It is in the bill as amended, Mr. Chairman, in the sense that it is in the mathematics. Eligibility is still tied to six bushels in determining the maximum amount available. However, since the repayment schedule is in fact slower than the lending schedule, the quota works out to more than six bushels.

Mr. Horner: The minister is referring to the 50 per cent repayment, and wheat is not worth $2 a bushel. As I tried to point out, we are going to lend the farmers $6,000 based on $1 per bushel. I contend that increasing the total amount available helps only those who farm 1,000 acres of land. It does not particularly help the small farmer.

• (4:40 p.m.)

Many farmers in my area are irrigating their land and cultivating their land extensively, and in the next 20 years you will see an increasing use of irrigation. It seems to me that this legislation will not be of too much benefit to the farmer with a smaller holding who cultivates that holding, using all the technical know-how, fertilizer, and so on that is available; it will be of greater benefit to the farmer who farms a larger unit. The

farmer who operates a small, high yield farm will be penalized, it seems to me. A farmer farming a small acreage from which he obtains a high yield will have a greater amount of grain to store than one who operates a similar sized farm which is not intensively cultivated, and this factor ought to be taken into consideration when drafting the bill. I submit that the initial advance ought to be based on a nine bushel quota so that the small farmer who utilizes all the latest technical know-how in his operation is not penalized.

Mr. Lang (Saskatoon-Humboldt): I think the difficulty between the hon. member and myself is one of language. When the term "small farmer" is used I think of the farmer whose production and income are low. The hon. member obviously is speaking of a farmer whose acreage, regardless of his production and income, is small.

Mr. Horner: This resolution deals with acreage.

Mr. Lang (Saskatoon-Humboldt): The hon. member, then, is raising the entire question of the quota available to that small acreage, high yield farm. That does not have application to the present matter; the quota system, itself, would have to be changed.

Mr. Horner: I agree, to a certain extent, but the minister is not completely right. I am not completely right either, and the minister should not ignore my argument entirely. Nothing is ever totally white or totally black; most arguments are in a gray area. This legislation, on the face of it, will be of greater benefit to one who farms, say, 1,000 acres than one who farms 300 acres, and that is the point of my argument. One farmer may farm 300 acres intensively whereas another farmer who owns 1,000 acres may only farm 500, allowing the other 500 to lie fallow.

The point is that the man who cultivates his 200 or 300 acres intensively has not as large a quota base as the man with the larger farm. This ought to be taken into consideration when considering the concept of cash advances. If you want to reward the small farmer for using all the technological aids available to him you ought to increase his initial quota to eight, nine or ten bushels. Perhaps there should be one quota for farms of under 500 acres and another for farms of over 1,000 acres.

I think the minister ought to give consideration to these ideas, because if he does not the farmers who are making the greatest strides in the use of technological advances will not be rewarded properly. I should regret to think that a minister coming from Saskatchewan, a minister who is reputed to have some knowledge of agriculture, should be instrumental in having a piece of legislation enacted in this house that would fail to reward those who are making the greatest technical strides in our agricultural sector, those who try to obtain the greatest yield from a small acreage.

Mr. Gleave: May I ask the minister how this will work out in practice? Freight rates in any given area vary, depending on how close one is to Winnipeg or to the Rockies. For the sake of argument let us assume that the rate runs at $1.40. This rate, of course, depends on the grade of grain. This year our grain will be down to grades 4 and 5; I hope it is no worse. The point is this: The farmer who has taken an advance against his crop has to pay money back. I do not think I am exaggerating when I say that he may be receiving from 25 cents to 35 cents per bushel. That farmer will be in a tight spot because one may assume that he has already spent his advance to pay for taxes and other obligations. Is the minister contemplating, by any chance, raising the quota to eight or nine bushels? Raising the quota would help a great many farmers carry their financial loads. It would be a good idea if the minister could guarantee that the quotas be set at a minimum of eight bushels; probably the figure ought to be nine. I say this because our farmers will have to make large repayments.

Mr. Lang (Saskatoon-Humboldt): Mr. Chairman, the changes in the proposed resolution do not include in themselves any such guarantee. So far as the complicated mathematics of the receipts and returns are concerned, it would be better, as I said before, if that were dealt with at a later stage when the bill is in the hands of hon. members.

Mr. Gleave: Did I hear the minister say just now that the mathematics would not be complicated? If the farmer borrows $1 and then pays back $1 per bushel, surely there is nothing complicated in the mathematics. Was the minister thinking of advances as related to the value of a bushel of wheat or as related to the actual value of a farmer's acreage? The difficulty, as I see it, is that farmers will not be able to sell enough wheat to pay off the money they have borrowed. That is the complication.

Mr. Horner: Referring to the point the hon. member for Saskatoon-Biggar raised—and we still have about ten minutes remaining—may I ask the minister whether it will be possible for a person to carry a debt from one year into another and then, in a subsequent year, pay back an advance on his quota. Is that contemplated?

Mr. Gleave: That is a sort of perpetual mortgage.

Mr. Lang (Saskatoon-Humboldt): Yes, that would be possible under the present situation. He can either carry his debt into the new year and have his subsequent deliveries count against it, or he can take a larger advance against his existing grain.

Mr. Horner: It is logical to assume, then, that over a period of years the farmer will be increasing his cash advances until he reaches the maximum of $6,000, at which time the act will be no good to him. He will have absorbed all the benefits of the act.

Mr. Lang (Saskatoon-Humboldt): Not quite. The farmer's first duty is the repayment of outstanding advances. So the maximum amount of the advance is $6,000, the actual amount varying according to wheat on hand. It does mean there will be a carry-forward, if he is to take the maximum in years when the quota does not go above six.

• (4:50 p.m.)

Mr. Horner: Let us suppose you are going to lend at $1 a bushel and he is going to pay back at approximately 75 cents a bushel. If he can carry one debt over into the next year, will not the debt pile up until it is above $6,000? I do not see how it will ever be repaid completely.

Mr. Lang (Saskatoon-Humboldt): If he still owes $1,000 from the preceding year he will only get $5,000. The next year, if he still owes $1,000, he would only get $5,000.

Mr. Horner: If you carry $1,000 from last year and borrow an additional $5,000 he may carry over $2,000 or $3,000 and still maintain the maximum of $6,000, each year borrowing a little less and carrying over a little more.

Mr. Lang (Saskatoon-Humboldt): I will undertake to deliver a sheet of complicated calculations to the hon. member for Crowfoot. I might say for the time being that the amount carried over is absorbed in the new year so that it is dealt with immediately at the beginning of the new year. Whatever position a farmer is in, in the first year of the plan, is the position in which he will remain forever—he could never carry any more than that portion which would have been required to pay the advance which he was not able to deliver.

Mr. Thomson (Battleford-Kindersley): So that in effect he could never be in default.

Mr. Lang (Saskatoon-Humboldt): He could be in default if he failed to deliver when the quota opened. That is true now and will be true then. He will not be in default any more than he is now by carrying a cash advance into the new year if he has not failed to live up to his obligation about delivery. If he takes a new cash advance the amount still owing on a previous cash advance is taken into consideration in calculating the advance at that point.

An hon. Member: Would that not jam up the I.B.M. machine quite a bit more?

Mr. Woolliams: I shall only take a minute, so the hon. gentleman need not be nervous. I hope the minister will give serious thought to one suggestion, which I think is a good one. I have some knowledge of the way in which this system works in practice. Where there are smaller holdings, where there is diversification making for greater concentration and a higher yield, special consideration should be shown to the farmers concerned. I hope the minister will carry this suggestion back to the government, and think about it. Obviously where there is diversification and a concentration of yield one can expect a greater return per acre.

There is a trend in Saskatchewan and Alberta for farms to get larger and larger as the smaller farmers sell out and older people leave their holdings. In some parts of the prairie provinces farms are becoming big wheat mines. If special consideration were given in the circumstances I have mentioned the minister would, I think, be following the formula suggested by some of the farm unions themselves. This is the point which my hon. friend from Crowfoot was making, and I think it is an excellent one. I hope the minister will try to sell this idea to the cabinet. Its adoption would not mean a great deal, financially, to the treasury, but it would be an expression of a good philosophy on the part of the government, and I should like to see such a formula perfected. That is all I wish to say at this point.

Mr. Lang (Saskatoon-Humboldt): I did not mean to suggest that the suggestion put forward by the hon. member for Crowfoot was not deserving of consideration, but this is a matter which is related to the whole quota system, rather than to this particular resolution, and it is in the general context that it would have to be considered.

Mr. Gleave: Did I understand the hon. gentleman to say that changes in the quota system were being considered?

Mr. Lang (Saskatoon-Humboldt): No, you did not.

Resolution reported and concurred in.

Mr. Pepin thereupon moved for leave to introduce Bill No. C-113, to amend the Prairie Grain Advance Payments Act.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: It being five o'clock, pursuant to special order made this day the house will now proceed to business as listed on today's order paper, namely public bills.

BRITISH COLUMBIA INDIAN RESERVES MINERAL RESOURCES ACT

REPEAL OF MEASURE RESPECTING SURRENDER OF ENTITLEMENT

Mr. Frank Howard (Skeena) moved the second reading of Bill C-7, to repeal the British Columbia Indian Reserves Mineral Resources Act.

Mr. Speaker: Perhaps before continuing with this bill I should say this: I believe the hon. member for Skeena is aware that there are some possible procedural difficulties here. The suggestion has been made that this is, perhaps, a money bill, and for two reasons, first that it seeks to dispose of the public revenue of the Crown—on this point I realize there is some doubt, because the hon. member for Skeena would argue that we are not disposing of the revenues of the Crown but of those of the Indian people. The second objection is that the measure affects the property interests of the Crown, requiring that consent of the Crown be obtained. However, consent cannot be obtained by a private member of the House of Commons.

Even with these limitations, however, I feel there is a considerable measure of doubt as to whether the objections are valid and I think hon. members might agree that it would serve a better purpose to allow the hon. member for Skeena to proceed, and have the house consider this bill during the present private members hour.

[Mr. Woolliams.]

• (5:00 p.m.)

Mr. Howard (Skeena): That is extremely kind, Mr. Speaker. I wonder with respect if, apropos of your remarks, I might argue with you that we are not dealing with revenues of the Crown or with lands of the Crown, because both the revenues and the lands referred to in the particular statute which I seek to repeal are held in trust, and I put those in a different class than being held directly. In any event, I am quite sure that even if the bill were one of those which fell within the class of being a money bill the government, with its tremendous concern for the rights and welfare of peoples, would have immediately come to my rescue, adopted it, and preceded it with the appropriate resolution.

However, I think that is all unnecessary, because if I remember the reading I did earlier about the history of the British Columbia Indian Reserves Mineral Resources Act itself, the original bill in 1943 was not preceded by a resolution that dealt directly with the bill. In any event the house has been gracious enough to go along with your suggestion that we proceed without any argument about the formalities.

The year 1943, as I said earlier, was the year in which the parliament of Canada passed this law, and I suggest it was done in a relatively secret way and by collusion. I mean collusion in its worst sense, collusion between the then Liberal government here in Ottawa and the Liberal dominated coalition government in the province of British Columbia, because both governments were involved in working out an agreement which brought about the British Columbia Indian Reserves Mineral Resources Act, which effectively removed from the native Indian people in B.C. the control that they might and would have otherwise have had of mineral resources whether upon or beneath Indian reserve land. This was done without any consultation with the native people, and done without their knowledge. I have asked many of the older people on reserves about this and none of them recall hearing anything at all, even about the passage of the law itself in 1943.

The origin of this question, I think, comes from the time when British Columbia entered confederation. One of the terms of the entering of my province was the building of a railroad, the C.P.R., and that railroad obtained a right of way some 40 miles in width. There can be great controversy and conversation about the propriety of having

done that, and about some of the subsequent changes, but nevertheless as a result of the C.P.R. obtaining a 40 mile swath of land along the length of the railway, as one of the considerations for its building the railroad, when gold was discovered in 1884 there came with it the question of the legislative or political control over the gold itself. In other words, was the proprietary ownership over the gold in the hands of the provincial government or in the hands of the then dominion government? As a consequence of this disagreement the matter went to litigation and subsequently ended up in the hands of the Privy Council who, in 1889, made a decision in effect that the precious metals on that particular land, which was railway right of way land, were declared to belong beneficially to the province.

In 1943 the then minister of mines and resources, hon. Mr. Crerar, introduced into parliament the British Columbia Indian Reserves Mineral Resources Act, and I submit that he, for what reason I do not know, either misunderstood the decision of the Privy Council or misinterpreted it, and in effect made a court decision of the Privy Council, which was originally applied to land which had been given to a railway, apply to Indian reserve land. He added that because the Privy Council had made this decision with respect to the C.P.R. land, therefore we, the parliament of Canada, should have to pass a law endorsing in a legislative way the agreement between the British Columbia government and the Canadian government about mineral resources on Indian reserves.

I submit that there are two different questions involved here. I say that Mr. Crerar misapplied the finding of the Privy Council, and in effect by misapplying it, by misinterpreting it, in concert with the provincial government effectively took away—as has been the case in so many instances in the past—something more from the native Indian people of the province of British Columbia, namely the control over the mineral resources that might be on their lands.

Perhaps in this regard I might be permitted to quote from part of the decision of the Privy Council, which is to be found at page 306 of the Law Reports, Appeal Cases, 1889:

> Their Lordships are for these reasons of the opinion that the judgment appealed from—

I might point out that the courts in Canada had made a decision in favour of the federal government or federal parliament.

> —must be reversed, and that it ought to be declared that the precious metals within the railway belt are vested in the crown, subject to the control and disposal of the government of British Columbia, and they will humbly advise Her Majesty to that effect.

The key words were "the precious metals within the railway belt." This is what the Privy Council was dealing with. They were not dealing with precious metals on Indian reserves, and I submit that this should clearly show that, to be gracious about it, at the very least there was great misunderstanding or lack of knowledge about the full effect of that decision, and that it should not have been applied to the precious metals on Indian reserves. This injustice has remained there ever since 1943, for the last 25 years, without any great or in any event successful attempt being made to correct the situation.

In 1966, Mr. Speaker, I introduced a bill with respect to this matter identical with that which is now before the house. In passing I might add that I think Your Honour was our presiding officer at that time, and no thoughts were expressed about the bill's being in order at that time. In any event, for 25 years now there has been this statutory injustice resting on the law books of Canada and on the books of the legislature in the province of British Columbia. This was done without consultation, without advice from or without considering any of the native people—in other words just a complete disregard for what we all fervently in our hearts believe to be a fundamental right of people, the right to be advised of what is taking place with regard to their respective rights.

I submit that in three instances the schedule to the act contains misleading information. Again, to substantiate what I say, that the government in 1943 consciously took action of a misleading nature to remove some of the fundamental rights of the Indian people, I point out that in a preliminary part the schedule reads as follows:

> Whereas from time to time treaties have been made with the Indians for the surrender for various considerations of their personal and usufructury rights to territories now included in the province of British Columbia, such considerations including the setting apart for the exclusive use of the Indians of certain definite areas of land known as Indian reserves;

I submit that this was misleading because it contains within it the reference that "from time to time treaties have been made—"

• (5:10 p.m.)

I submit this is misleading because it has reference to treaties that had been made from

time to time. With one or two minor exceptions, notably in the Peace River district of British Columbia and in respect of a few treaties before confederation, in British Columbia there are no treaties with the Indian people of that province. That is the crux of the British Columbia land question. This was something that hon. Mr. Crerar knew about in 1943, and it was something that the government of that day knew about, because this B.C. land question has been before the parliament of Canada in one way or another as far back as the turn of the century. This was not new to the government.

I submit that parts of the preamble indicate that the government knew this was misleading. Another part of the preamble states:

> And whereas the said Indian reserves were conveyed to the dominion government as trustee for the Indians under the terms and conditions set forth in an agreement dated the 24th day of September, 1912, between the dominion government and the province of British Columbia;—

It is a well known fact, certainly to the Indian people and the government of that day, and the government of this day, that the native Indian people never at any time accepted the agreement of 1912 as a solution to the land problem. Nobody at that time accepted the finding of the McKenna-McBride royal commission which considered this question, and no one at any time accepted the decision of the Indian Land Settlement Acts that were passed by the legislature of British Columbia; and the native peoples have never signed any treaty. This in itself leaves the impression that the Indian people have agreed with this when in fact they have not. The third "whereas" which is misleading reads:

> And whereas the precious metals in, upon, or under the lands comprising such reserves are not incidents of such lands but belong beneficially to the Crown in the right of the province of British Columbia with the result that the development of all the minerals in, upon or under such lands is at present impractical since the precious and base metals are closely associated and cannot be mined separately.

As I pointed out earlier, this is misleading because the decision of the Privy Council on this matter of precious metals had nothing whatever to do with the Indian lands in British Columbia, but dealt with lands ceded to the C.P.R. It should have been confined to that and not extended to take away the rights of our native people.

In 1965, three years ago, the Indian affairs branch submitted a directive which dealt with the matter of developing mineral resources, which said that the only minerals that could be developed on reserves were those minerals that had been surrendered. It indicated that the minerals must be surrendered, and there is no equivocation about that. There is no maybe: They must be surrendered by the Indian people. In other words, the native Indian people, because of this British Columbia Indian Reserves Mineral Resources Act and the Indian Act, cannot participate in the development of resources on a reserve unless they first give them away, surrender them and relinquish all their rights and interests in them, in this instance to the Crown or the federal government.

In the first place this bill was an imposition as a result of some collusive agreement based upon a misinterpretation of the court decision. It was an imposition, and is a denial of fundamental rights of our Canadian native people to direct their own affairs and destinies. It is a denial of their right to local government in respect of their land and well being, and I suggest this should not be permitted to remain on the statute books of this nation. That is why I seek to repeal it.

Apart from the fundamentals, the directive to which I made reference earlier contained the reference that there has been increasing interest in mineral development in recent years, and certainly increasing interest in mineral development that might take place on Indian reserves. This British Columbia Indian Mineral Reserves Resources Act holds back or deters any such potential development because the native people are fed up to the teeth with having to give up their rights every time they want to obtain something. They are fed up with the concept of surrendering things. They are fed up with having to relinquish their authority and the control over reserve lands before anything can be developed. As a consequence they are not surrendering anything more, even though it might mean more income as a result of mineral development.

As I understand it, there are some agreements in the prairie provinces, the Maritime provinces and in Ontario which give to the native Indian people in those areas 100 per cent of the benefits resulting from any development of mineral resources on reserve land. With the concept of equality we should be moving toward this position and providing agreements of this type to the Canadian native Indians of British Columbia.

I do not know what the potential is in that province, or if anyone is able to determine

that, but if we look at the mineral production in British Columbia in the last two years and try to relate what this amounts to in terms of dollars we come up with a fairly close figure. If the full potential mineral resource was developed in British Columbia, taking the relationship of the mineral resources developed in the province, this results in terms of $1 or more per acre of land. There are some 750,000 or 800,000 acres of reserve land in British Columbia. On this ratio that would mean $750,000 for mineral production.

This is not the total amount that would accrue to the reserves, but is the production value. A great deal of this would accrue to the Indian people and we should keep that in mind. I know there are some who might argue at this juncture that the repeal of the British Columbia Indian Reserves Mineral Resources Act may not be the right way to correct this situation, but my purpose at this time is to keep this matter alive and to foster a greater understanding of the injustice that was perpetrated and has remained uncorrected. In view of the government's desire to make our committees function to a greater extent I hope that the appropriate minister, the Minister of Indian Affairs and Northern Development (Mr. Chrétien) or the Minister without Portfolio (Mr. Andras), will concern themselves with this matter and refer it to a committee for study. Neither of those hon. gentlemen are here, so perhaps the house leader would give this idea his blessing so that this bill or the subject matter might be referred to a committee for discussion. In this way the Canadian native Indian people could be given the opportunity to present their ideas. They could be consulted and their feelings could be ascertained in respect of this particular act.

Many consultations are taking place in this country with the native Indian people about the Indian Act. I do not think these consultations can be extended to cover this situation because the guide lines for the consultations now taking place, contained in a booklet entitled "Choosing the Path", have reference to a series of questions other than this relating to the Indian Act itself. This is a special subject.

• (5:20 p.m.)

Let me say to the house leader, in closing, that this matter is serious and of extreme importance to our native people. We are now in an era in which even the most reluctant of our house leaders agrees that consultation is the order of the day. This is true in respect of the Indian people and their problems. I suggest to him that perhaps he may assist our native people to find a way out of this difficulty in which they are, and may assist us as well in correcting this long-standing injustice by referring the subject matter of this bill to a house committee for an appropriate examination and a report. I suggest to him that he may assist the Indian people in finding a way out of the difficulty in which they are at the moment. He may be able to assist us in finding a solution and correcting this long standing injustice, by agreeing to refer the subject matter to a house committee for appropriate examination and to report upon it later.

I know what will occur with the bill if this is not done. We will reach six o'clock, we will still be debating it at that time, it will go to the bottom of the list of I do not know how many public bills on the order paper, and we will see neither hide nor hair of it again this session. I think to use the talking out process in respect of this bill, to hide it in that way would be an extreme disservice to the rights of the Indian people and the possibilities regarding mineral resources on their reserves.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I am not in a position to go into the merits of the hon. gentleman's suggestion. Because I am not in a position to go into the merits I cannot act at once on his suggestion. I will, however, undertake to discuss with my colleague responsible directly with this question the merits of the measure put forward and the hon. gentleman's remarks of today, and be prepared to talk about it on another occasion.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I hope that this matter will be taken to the level of immediately active advisement rather than just the immediate advisement stage. We are beginning to learn that there are differentiations in the government's approach to problems. We hope this bill will receive the urgent treatment which it deserves.

I certainly support the hon. member for Skeena (Mr. Howard) in his proposals. I was a member of the Indian affairs committee some years ago when this matter, amongst others, was raised. I have some recollection of it and I have here the act which the hon. member seeks to have repealed. I might say in passing that the hon. member for Skeena referred to the fact that this was a case where there was no consultation with the

Indians. It is a sad commentary on the government of this country that for a period of 25 years we see the same course of action pursued.

This house was agitated, as it properly should have been, last week, and to some extent it has been this week, by charges made, and never refuted, that the Indian people of this country were not consulted on a very, very important reorganization of the Indian affairs department with regard to a matter in which the Indians were involved and definitely concerned. The only occasion I can recall when there was a real measure of consultation was during the course of the administration of the Conservative government from 1957 to 1963.

The Indian affairs committee was set up. One hundred witnesses were called, including a very large number of representatives of the Indian people from all over Canada. These people were brought here and gave evidence which was uninhibited in any respect. We received a great deal of very useful information. The committee made recommendations. Some of them were initiated before the Conservative government fell, but have not been dealt with since. I must say in passing that here we are, 25 years later, and the same charges are still being made against the government by the same people. These charges are of the same political nature, namely that they are not being consulted when they should be.

I shall be very brief, Mr. Speaker. Reading the act, I agree with the hon. member that there are three assumptions drawn in the preamble which I think are incorrect. It is in fact a creation of a statutory image, a statutory illusion, not based on truth and not based on the facts. I shall deal with only the first of these assumptions. The following words are to be found in the preamble:

> —from time to time treaties have been made with the Indians for the surrender for various considerations of their personal and usufructury rights—

This has been repeated over and over again. A number of treaties were entered into with Indian people and Indian bands by which it was sought to acquire the title of the Indian people to practically all the lands between the Great Lakes and the Rocky mountains and extending into the Northwest Territories. These treaties were similar to the one to which the hon. member for Skeena has referred. They were based on certain considerations. Letters were executed by the commissioners who drew up these treaties. The letters detailed the circumstances under which the treaties were made. There is no question at all that, as in this case, the Indian people were led to believe that in surrendering their rights—the complete extent of which was probably not known to them—they would be given certain other considerations. Some very definite considerations were put forward to the Indian people as being given to them in exchange for their giving away these rights.

We all know the famous case which went before the Supreme Court of Canada. I refer to the lame duck case. In that case the Supreme Court of Canada held that because of the Migratory Birds Convention Act certain rights to which the Indian people felt they were entitled with regard to hunting, trapping and fishing, were not to be given to them because the federal government, one of the parties to the treaties with the Indians, was in direct violation of the undertaking in that the treaty entered into internationally imposed obligations upon the federal government which the Supreme Court of Canada held to have precedence over the treaties with the Indians.

There are a number of other cases of this type. There was the so-called medicine chest case. In a number of these treaties there was a provision that the government would provide certain medical and other services within the meaning of the words medicine chest, which to the Indian people at that time had a very specific and special connotation. This was another case where the federal government, through its counsel, intervened. But I do not think any real, conscious effort has been made by this government to in any way right the wrong that has been done to the Indian people by the violation of their treaty rights.

For these general reasons, in addition to the specific reasons to which the hon. member for Skeena has referred, I hope that this matter will be referred to a committee. I certainly hope that when the Indian claims commission legislation is introduced, this issue will be given the most serious thought.

We have done injustices to the Indian people. There is no use cataloguing the litany of evils, wrongs and misdemeanours which have been committed. This is now a matter of history. But there is now probably the last opportunity, through the medium of legislative proposals which I suppose this government will introduce, to widen the extent of

those proposals to include the kind of compensation to which the Indian people are entitled. This we must do if we are to hold up our heads and say we have kept the sacred obligations which previous governments entered into on behalf of the people of Canada.

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, I should like to congratulate the hon. member for Skeena (Mr. Howard) upon raising this subject, and I have listened with great interest to the hon. member for Peace River (Mr. Baldwin). I do not suppose anybody in this house is not in sympathy with the spirit behind the words of both hon. gentlemen. I hope no members of the house will be out of sympathy with the words I shall be using. I might as well state at the outset that I do not feel this bill should be dealt with as a separate and individual item. I think it is an excellent idea that it be referred to the committee, as a specific item to be looked at in the context of the whole question.

To arrive at that conclusion I think one has to realize that we are, in a sense, at the apex of 300 years of injustice which we and our forefathers have perpetrated on the Indians. We are just arriving at a time when a fundamental change can probably be made, and the Indians are just getting back their self confidence to a sufficient degree to be able to help themselves. When the white man first came to Canada he was prone to think of the Indians as mysterious creatures flitting around among the trees and in the distance, people whom no one understood. It has become more and more apparent, thanks to studies of historians such as McInnes and others, that the Indians had a viable, sensible and economic way of life supported by a good system of trade. If you look back at the efforts of the French pioneers, you will find that they did not do what later generations did, but that they tried to establish trading and leave the Indians basically undisturbed. Unfortunately their idea of trade included brandy, which did harm to many Indians, but that was not a deliberate policy.

• (5:30 p.m.)

The Indians still staked off their own territory, the Algonquins in one place and the Iroquois in another. Some were farmers, some were traders and some were middlemen. All this change started taking place in Canada only a little more than 100 years ago. In the United States this was started a little earlier when people, actually, physically took possession of the land. I suggest this is where the trouble started which led to the situation of the Indian today. Louis Riel saw this, and in drawing up and passing the Manitoba act he attempted to stop this from happening in Manitoba and in the west. However, the white people reneged on the deal they made with the natives in my province, and as a result the Indians and Métis were the ones to suffer. I am glad to see that the position of the Indians is now being seen in better perspective and that it is recognized that Louis Riel was trying to achieve something serious.

It was at that time that reserves were set aside to be administered by the Crown on behalf of the Indians, and 1,400,000 acres was made available to the Métis. But the Indians were unable to make a living off the reserve and the Métis lands were soon in the hands of speculators. So the Métis are in as much trouble as are the Indians, and I hope they will not be forgotten when the time comes.

Between 1871 and 1877, seven treaties were negotiated between Canada and the Indians of the new Northwest. It is quite obvious that the Indians thought, as the hon. member intimated, that they were making a perfectly genuine deal with a trustworthy partner. To prove this I would like to quote the words of the Lac Seul chief in connection with the signing of treaty No. 3. This is what he said:

> We are the first that were planted here. We would ask you to assist us with every kind of implement to use for our benefit . . . a little of everything, and money. We would borrow your cattle; . . . the waters out of which you sometimes take food for yourselves, we wil lend you in return . . . The time may come when I will ask you to lend me one of your daughters and one of your sons to live with us; and in return I will lend you one of my daughters and one of my sons for you to teach what is good, and after they have learned, to teach us.

The key words there are obviously share, exchange and lend. That is what treaty No. 3 was all about so far as the Lac Seul chief knew. He found out differently later. I suggest that all the treaties were like this one. The last time that the Indians tried seriously to improve their lot was when they threw in their weight behind Louis Riel in 1885. This became a rebellion which was put down, and that was the end of that.

I suggest that the treaty to which the hon. member for Skeena referred was a little different. The spirit behind it, so far as the dominion government was concerned, was the same, and it proved to be just as much of a failure, but the mechanics were a little different because British Columbia came in as a separate colony.

Mr. Howard (Skeena): I wonder if my friend would permit me to ask him a question. It arises out of a misunderstanding because my friend must realize that in British Columbia there were no treaties made with the native people. I was not referring to a treaty.

Mr. Osler: This is what I was about to say. I thank the hon. member for making it clear that I am not being clear. British Columbia was a separate Crown colony. No treaties were made but there was a general indication that the same spirit prevailed because when British Columbia joined confederation it negotiated its own terms. Although the dominion took charge of Indian affairs, the province would have to give it whatever lands it required for reservations. That was part of the act under which that province came in.

It is clear from the terms of union that the federal authorities thought they were following through with the same pattern they had established toward Indians in the rest of western Canada. Land would be given to them to be held in trust, for the use and benefit of Indians in British Columbia. But when the time came to actually select this land, trouble occurred. Commissions had to be set up, either jointly or unilaterally, by the two governments involved. It was not until 1938 that by provincial order in council reserves were conveyed to the dominion, and a time span of 67 years had elapsed. So I think there is a very good indication that the spirit of the law was not lived up to.

Meanwhile, in 1889, the Judicial Committee of the Privy Council to which the hon. member referred ruled that precious metals were vested in the province. Later the province made claim for the administration of base metals. So they tried to get the whole lot. The British Columbia Indian Reserves Mineral Resources Act passed in 1943 was an attempt to regularize the situation. The administration, control and disposal of all minerals and mineral claims on Indian reserves in British Columbia was made subject to the laws of the province, and all revenues arising out of the sale or royalty agreements would be split henceforth between the federal and the provincial governments on a 50-50 basis. This settled nothing so far as the Indians were concerned, except to place the administration respecting precious and non-precious metals, under one roof. This might have been a good thing if there had been any will to do so for the benefit of the Indians.

[Mr. Osler.]

Notwithstanding the foregoing arrangement, under the present act when a band approves a mineral surrender, which it still has to approve, the administrative responsibility is immediately split. The band has jurisdiction over the surface rights, the province has jurisdiction over the mineral rights, and no one has yet discovered how the devil one can get close to the minerals without disturbing the land rights. The jurisdiction is divided and diffuse. I suggest that this is a very good reason that there has been no significant development of the potential mines on British Columbia Indian land. Who would ever make a deal with anyone when they do not know how to get to the minerals, how to mine them and whom to negotiate the terms with?

Both the federal and the provincial authorities realize this is a poor arrangement. Through the years there have been discussions between the province and the federal government is respect of the interpretation of this act. These discussions have altered the conditions slightly in favour of the Indians, but have not resulted in serious exploration or development. As of this date the province has advised the federal government that changes in the act could not be considered.

So the Indians sit and wait for the white man to unscramble the mess. How is it possible to get at the treasures underground without disturbing the land above? How is it possible to find a sensible method of exploiting the riches of nature for the benefit of the Indians without setting the province and the federal authorities at loggerheads one with another? To the Indians, who so desperately need all the revenue they can lay their hands on, this must seem like a very sorry state of affairs. It would be funny if it were not so sad.

• (5:40 p.m.)

Now, having said this, I should like to submit that I have not cited an isolated case. This is an example of the shocking way in which we, as white men, have treated the Indians. I do believe that the climate is such this government is going to be forced to take a serious look at the situation and really open the way for the Indian to help himself. If this is the case, then I submit we should not consider this bill in isolation, but it should be referred to the committee and considered in the context of the whole problem.

Mr. Eldon M. Woolliams (Calgary North): I am going to be brief, Mr. Speaker, but there

are a couple of things I should like to mention. First of all, I should like to congratulate the member who moved this bill. I agree with everything he has said and I want to incorporate it in my own argument. However, there are a couple of things I should like to mention. First of all, the treaties that were signed with the Indians in the early days have been largely ignored by parliament and legislatures, particularly in so far as the mineral rights were concerned. The Indians have not been consulted. The area of mineral rights is one from which much contentious litigation has arisen.

This brings me to the point I am going to make. No government has done anything for the Indians so far as their property rights are concerned. I should like to make the most non-partisan speech on this matter that I have ever made in my life. The only remedy the Indians have today, in so far as their property or mineral rights are concerned, is to go to the Exchequer Court of Canada. I have dealt with this court on other occasions when I was dealing with other problems.

In so far as the jurisdiction of the Exchequer Court of Canada is concerned, it is limited to matters concerning the Crown. So far as I am concerned, an Indian or the average citizen of Canada cannot afford to litigate in the Exchequer Court. First of all, in order to get into the court he has to go to Ottawa, so he has to hire a lawyer in Ottawa, who is generally an agent of the legal firm of the place in which the person resides. For example, the Indians on the Blackfoot reserve have a claim in connection with their oil rights. They go to a lawyer in Calgary, and the Calgary lawyer communicates with a legal firm in Ottawa which, in turn, goes to the Exchequer Court. A poor man or an Indian cannot afford to do this. The state is all powerful; the state has all the money; the state has all the experts. The Crown says, no—and it does not matter which government is in power. I do not know how many years the claim of the Blackfoot reserve has been before the Exchequer Court, but I have those facts in my office. However, Chief Crowfoot and others have advised me that the documents pertaining to their treaty were handed to the department of Indian affairs and have been destroyed or lost—at least, they cannot be found.

These Indians do not have the money necessary to make the proper motion before the Exchequer Court to demand these documents. As a result, the claims of the Indians on the Blackfoot reserve before the Exchequer Court of Canada in connection with their mineral rights have been long dormant. In my opinion, it is high time we stopped talking about setting up Indian claims commissions and had a commission that was not weighted in favour of the Crown. It is useless to set up a board that is weighted in favour of the Crown, because the people behind the executive of this or any other government will be people who will usurp, unintentionally of course, the rights of the Indian or the average man. They narrowly interpret the law; they narrowly interpret the procedure. After all, it is human nature when you are always representing one side of the fence to think as the people do on that side of the fence.

I should like now to talk about the streamlining of the procedures of the Exchequer Court of Canada. If the Exchequer Court is not prepared to streamline its procedures so the average man can afford to litigate, then I would hope this government would immediately take steps to set up a claims commission so that the rights of Indians can be protected. At the same time the federal administration should decide to pay for counsel, so the Indians can be properly represented before any tribunal, whether it be the Exchequer Court or a claims commission set up to deal with this particular subject. There is no point in setting up an institution in which litigation can take place if the Indians do not have the tools to go to the Exchequer Court or to a board. If one goes before such a body without properly trained counsel, it is like going to hospital to take out your own appendix. It is just as effective, because a man who is not trained does not know the procedures, does not know the technical points, and as a result he does not get justice. This is an example of what I have always maintained, that there is a law for the rich and a law for the poor.

I say that the people who are in the house now must be interested in the affairs of the Indian people of Canada. There are not too many of them. At one point, Mr. Speaker, I counted and we were in a very precarious position. Let us decide unanimously now to send this bill, which has been brought forward by a member of parliament who has dedicated himself over the years since I have been here to the rights of Indians, to a committee, so that the matters which I mentioned and the matters which other members have mentioned can be discussed fully. Then let us

get on with the job. We have ten minutes left, so I will sit down and we can unanimously send this bill to a committee.

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, I should like to begin by complimenting the hon. member for Skeena (Mr. Howard) upon his very eloquent plea on behalf of the Indian people of Canada. In this one aspect at least, this hon. member and I share a great concern. It may be somewhat unusual for the member for Thunder Bay to rise to speak on a matter that concerns the Indian people of British Columbia; however, a great many of the constituents of Thunder Bay are native citizens of Canada. My interest in them and my concern for them leads me to be sympathetic toward Indian people, regardless of the corner of this land in which they happen to dwell.

It has been my privilege, Mr. Speaker, on at least one occasion to be present during the consultations the government has been having with the Indian people of Canada. I wish to testify to this house and to the people of Canada that these consultations with the Indian people were open, forthright confrontations. I should like to make it clear also that if any member of this house in any way casts suspicion upon the motives behind these consultations, he is doing a great disservice to the government and to the Indian people of Canada. The people attending these consultations have expressed their grievances well. It is the intention of the government, when all the data is available, to take the appropriate action, having listened carefully to what the Indian people have had to say.

• (5:50 p.m.)

With reference to the situation in British Columbia, for many decades now there has been a great deal of concern as to who owns the minerals which reside under Indian reserves, and as to how they may best be developed. The real problem here is that there has been so little development and exploration of the minerals in these Indian reserves that it is to fog the issue for us to say that this act ought to be repealed. The real point is that the Indian people living on reserves in British Columbia have not profited economically from the resources which lie beneath the land on which they live.

It has been recommended, Mr. Speaker, that reference be made to the courts to determine ownership of these Indian resources. I suppose there are some pretty good legal arguments to suport the beneficial Indian right to precious metals, although a court judgment gives the ownership to the province. There is no justification for the provincial claim to ownership of base metals on Indian reserves.

Reference to the courts to determine ownership of British Columbia Indian resources will not contribute toward reaching an effective agreement on the development of minerals on Indian reserves. In the last analysis, we want some benefit to accrue to the Indian people. We do not want the matter to become bogged down in long legal haggles in the courts of Canada. There are some good legal arguments which can certainly be helpful in demonstrating to the province of British Columbia that there is a strong case for Indian ownership. The act of 1943 implies that the province acquires administration of the minerals on Indian lands, and 50 per cent of the revenues, on the basis of the provincial right to the gold and silver. This basis is no longer a valid one. Although in 1940 the value of gold and silver amounted to 43 per cent of the value of all metals produced in the province, by 1966 gold and silver had declined to only 6 per cent of the metal production. By giving up administrative control of the minerals on Indian reserves, loss in revenue to the province from fees for recording claims and assessment work would be negligible, and may be more than offset by reduced administrative costs.

Indians in British Columbia should have the very same benefits from the development of their minerals as those enjoyed by Indians in other provinces. Agreements in effect in the prairie provinces and the maritime provinces, and one now being concluded in Ontario, provide full benefit for the Indian bands from development under federal administration of the minerals on their reserves. Indian affairs policy now provides for the Indian band councils to retain a large measure of control over the development of their mineral resources and to participate in the management functions. Under present provincial administration and legislation in British Columbia, Indian band council control over the minerals is both indirect and ineffective. I recommend, Mr. Speaker, that strong representations be made by the federal government, with of course support from the Indians of British Columbia, to the government of British Columbia for a new agreement for development of mineral resources on Indian reserves. This new agreement, moreover, should be patterned after the agreement

now being concluded with Ontario and should contain the following provisions:

First, that British Columbia transfer to Canada control and administration of all mineral resources in Indian reserve lands or surrendered Indian lands, and the proceeds of the leases or other dispositions of the mineral resources be applied for the benefit of the Indians for whose use and benefit the said lands were set apart;

Second, that royalties paid for the benefit of Indians from minerals produced on the Indian lands shall, for the purposes of any provincial mining tax, be deductible from the income of the producer of the minerals;

Third, that the province agree to provide for technical surveys, safety measures and other similar services related to the exploitation of minerals on Indian lands that are normally provided for other lands in the province.

There would be a great deal of potential for the economic well-being of the Indian people of British Columbia if this policy were to be adopted, Mr. Speaker. For example, we know that there is an area of about 800,000 acres which is divided into 1,600 separate reserves spread over the province. The value of the minerals in this area is very difficult to assess, owing to their nature; the resources are hidden below the earth's surface.

Assuming for a moment that the average acre of Indian land has the same potential as the average acre of land within the province, the potential value of mineral production from these lands may be estimated from the total mineral production of the province. The value of the metal production alone was worth over $200 million in 1966, or about $1 per acre. Applying this average to the 800,000 acres of Indian land, an annual production from the Indian lands of $800,000 may be expected. At the present time no metals are produced. The point, Mr. Speaker, is that economic benefits must accrue to the Indian people so that with their own resources they can develop a way of life suitable to them and that is designed particularly by them.

Of course, Mr. Speaker, we admit that there are a great many difficulties in the present situation. Since the effective date of the act in 1943, mineral surrenders to only eight reserves out of a total of 1,600 reserves in British Columbia have been approved by Indian bands. Administrative responsibility for the use of the land resources is divided between the two governments, once a band has approved a mineral surrender. The mining or subsurface rights is administered by the British Columbia government, whereas the rights to use land surface for mining purposes are administered by the federal government, in consultation with the band council.

Mr. Speaker: Order. I regret I must interrupt the hon. member, as the hour assigned for the consideration of private membres business has now expired.

At six o'clock the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, October 7, 1968

The house met at 2.30 p.m.

FINANCE

REPORT BY MINISTER ON INTERNATIONAL MEETINGS

Hon. E. J. Benson (Minister of Finance): Mr. Speaker I would like to take this opportunity to report to the house very briefly on the international meetings which I attended recently.

The first of these was the annual meeting of commonwealth finance ministers held in London on September 25 and 26. It provided an occasion for an exchange of views within the Commonwealth on financial and economic questions of general interest. There was a general exchange of views on the world economic situation, including in particular matters of special interest to members of the sterling area and to the less developed Commonwealth countries.

The meeting was encouraged by the favourable prospects reported by the chancellor of the exchequer for a strengthening of the British balance of payments in the months ahead. The meeting also noted with satisfaction the arrangements concluded between overseas sterling area countries and Britain in connection with the facilities recently announced by the Bank for International Settlements. Under these arrangements $2 billion will be made available to Britain by the central banks of 12 countries, including Canada, to enhance the stability of sterling and of the international monetary situation. We also reviewed trends in development assistance. In this connection the meeting recognized the urgency and importance of the proposed replenishment of the resources of the International Development Association.

The matter of I.D.A. replenishment was also of special concern at the annual meetings of the boards of governors of the World Bank and the monetary fund which I attended last week in Washington. The I.D.A. is of great importance to developing countries which for balance of payments reasons are unable to finance all their capital requirements on terms provided by the World Bank. The Canadian government has in the past actively supported early replenishment at a substantially higher level. At the recent meeting I reiterated that prompt completion of the necessary agreement for replenishment is essential if the World Bank group is to continue to play its full role in all parts of the underdeveloped world. As hon. members will be aware, the government has placed an estimates item before the house which would authorize the Canadian contribution to the proposed replenishment exercise.

This was the first annual meeting which Mr. McNamara attended in his new role as president of the World Bank. There is no doubt in my mind that he will provide the bank with vigorous and imaginative leadership. This is already reflected in the action he has taken with a view to expanding the resources and the scope of activities of the World Bank.

Mr. Speaker, I should like to use this opportunity to reply to the question asked by the Leader of the Opposition on October 1 in connection with my statement at the annual meeting of the I.M.F./I.B.R.D. board of governors.

I should make it clear first of all that this statement did not enunciate any new policies for the Canadian aid program. Speaking on behalf of the government of Canada I endorsed Mr. McNamara's plans and intentions for the World Bank which among other matters included three specific suggestions to deal with the problem of population growth in underdeveloped countries. These were as follows:

First: To let the developing nations know the extent to which rapid population growth slows down their potential development, and that, in consequence, the optimum employment of the world's scarce development funds requires attention to this problem.

Second: To seek opportunities to finance facilities required by our member countries to carry out family planning programs.

Third: To join with others in programs of research to determine the most effective methods of family planning and of national administration of population control programs.

With these three proposals for immediate action, I hope we may contribute to the success of the U.N. system which is already working in this field, and to the well-being of the developing nations.

Report on International Meetings

• (2:40 p.m.)

This quotation from Mr. McNamara's speech at the annual meeting describes in full the proposed program of the bank in the field of population control. It should therefore be apparent that he did not envisage giving first preference for World Bank loans to countries which are willing to institute programs of population control. Further, in endorsing the course of action proposed by Mr. McNamara I was addressing myself exclusively to the activities of the World Bank and not those coming under Canada's bilateral aid program.

In contrast with last year's annual meeting in Rio de Janeiro, which focused heavily on developments in the I.M.F., this year's annual meeting was more directed to the World Bank group. The three outstanding issues in the I.M.F. on which most attention was focused were the status of the special drawing rights proposal, the progress made on last year's resolution calling for a possible I.M.F. and I.B.R.D. role in the stabilization of primary commodity prices, and gold.

On the first of these, the S.D.R. proposal, progress has been made since last year. It is now hoped that the I.M.F. will be in a position, if this is deemed desirable, to make an initial distribution of special drawing rights some time in 1969. To enable Canada to play its role in the I.M.F. this house will be asked at an early date to give its attention to a rather complex bill to amend the Bretton Woods Agreements Act.

On the commodity pricing question, the governors had before them the first part of a joint I.M.F./I.B.R.D. study providing a useful analysis of the problem. It was agreed that this study would be completed and that specific policy recommendations would be put forward by June 30 of next year.

As to gold, representatives of the countries most directly concerned, including Canada, met during the week. At the conclusion of the meetings an agreed statement was issued. The relevant parts of the statement are as follows:

> The governors unanimously agreed on a common position based on the Washington declaration of March 17, 1968, regarding the disposal of newly mined gold. It has, however, not proved possible to reach agreement with South Africa at this meeting.

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to make one or two brief comments on the statement by the Minister of Finance, whom we are happy to see back in the house after an absence on official business. I cannot express quite as much satisfaction as he seems to feel with regard to some of the arrangements made. I hope that the arrangement made with regard to the pound and the other transitional arrangements will in fact be carried out. But I suggest that while these may be the best arrangements which were possible in the circumstances, they still place a heavy burden on Britain in addition to the other burdens relating to the recovery of her economy.

I was disappointed, too, that more progress has not been made in the field of strengthening international currency arrangements. I am sure we are all delighted at the way in which the crisis of last winter has settled down. This is the proper time for an arrangement to be made, but progress has been very slow with regard to strengthening international currency arrangements.

So far as the arrangements regarding the World Bank and international aid generally are concerned, constructive proposals supported by this government certainly would have the support of this party. We believe the government of Canada ought to play an active role in supporting the World Bank and other international agencies interested in development. Certainly we would support any constructive measures in this regard.

But regard to the statement attributed to the minister concerning what Mr. McNamara may have said regarding priority being given to countries that adopt measures to control population, I may say that despite what the minister has said the situation is still a little confusing to me. It may very well be that this results from the necessary brevity of the minister's statement, and perhaps further discussion will clarify this matter.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to express my satisfaction with some of the things the minister has said, particularly the degree of co-operation that has taken place among the countries involved. I am glad to hear that he is working for the continuance of that co-operation, particularly in the area of making credit available to countries that need underpinning of their currency. We in Canada have every reason to realize how effective some of those measures can be, since we had to call on this type of assitance in the earlier part of the year. The very fact that nations can call upon each other for this type of help will have a tendancy to provide greater stability in international monetary circles.

I am, however, concerned about one thing, and in his statement the minister did not clear this up. This is the question of what

attitude Canada is going to take to the purchase of commodities from some of the underdeveloped nations, particularly Commonwealth nations. I must say that our record in this regard has not been particularly good. We have refused to make an agreement regarding sugar, which would have been most helpful to some of our neighbours and friends in the Commonwealth. While it has perhaps enriched some Canadians in a very minute way, it has gone a long way toward retarding the development and growth of nations that we seek to help.

In the long run, Mr. Speaker, gifts to underdeveloped nations, valuable as they may be, are not the real answer to solving the problems of the underdeveloped sections of the world. The real answer must be that we are prepared to trade with them and to buy those commodities they have available for export at fair prices. I am sure this is what they would want, and I am equally sure it is what Canada should do. Canada should take the lead in indicating its willingness to buy these commodities at fair prices so as to enable some of our friends in other parts of the world to improve their own conditions. We should not be impoverishing our friends in order to benefit ourselves.

I welcome the minister back, and I hope he will have something further to say to the house once the study on commodities has been completed.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the minister's statement deals mainly with the participation of Canada in the World Bank so that it may help further the development of countries in the whole world, mainly in Asia and Africa. The objectives of the Canadian government when participating in the activities of the World Bank are certainly commandable and the minister will recognize that the delegates have made a serious effort to adapt the financial situation to the needs of the those poverty stricken nations. As was was just mentioned by the hon. member who spoke before me, the question is not for Canada to provide almost unlimited funds in order to send them food, clothing, and so on; I think that the major part of Canada's participation should be to encourage those nations to produce certain commodities and to offer them for sale, in order to make their citizens responsible, because gifts alone are not the real answer to the problem.

Now, it is a little strange that the hon. minister should take part in the financial discussions of the World Bank and negotiate, for instance, the price of gold without reaching a conclusion which might help Canada to produce more gold at a reasonable price, in short at a better price than the one we receive at this time.

And while the Minister of Finance (Mr. Benson) is talking about helping poor countries, developing countries, our Canadian Prime Minister is on a trip out west where he preaches restraint and self-sacrifice or something like that.

We forget about education and the development of our natural resources but we are ready to share with other countries in the financing of the needs of developing countries. That is nonsense, Mr. Speaker, in my opinion, it would be advisable for the government to take its responsibilities, to act, not against the other countries, but first for our country, Canada, and then it can help developing countries.

• (2:50 p.m.)

[*English*]

Mr. Benson: Mr. Speaker,—

Mr. Knowles (Winnipeg North Centre): Order.

Mr. Baldwin: The sound system has gone dead.

Mr. Benson: Mr. Speaker, by leave of the house I should like to table a copy of my remarks made at the World Bank meeting, so that hon. members who wish to do so may have an opportunity to look at them.

An hon. Member: What are you tabling?

Mr. Benson: A copy of my statement.

Mr. Speaker: Order, please. No doubt hon. members have noticed that the sound system is out of commission.

Mr. Greene: Everthing sounds much better now.

Mr. Speaker: I therefore ask hon. members to co-operate by being as quiet as possible in order that we may proceed with the business of the house. The Minister of Finance seeks leave of the house to table the document to which he has referred. Is that agreed?

Some hon. Members: Agreed.

Motion to Consider Nigerian Situation

EXTERNAL AFFAIRS

NIGERIA—MOTION FOR CONSIDERATION BY HOUSE COMMITTEE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, pursuant to standing order 42 I seek the unanimous consent of the house to permit me to move a motion which, because of its urgent and pressing necessity, should not be delayed by the 48 hour notice rule. I recognize that standing order 42 has not often been invoked in this house, but I think the house will agree that the standing order was framed to cover just the sort of emergency which faces us today.

Standing order 42 reads as follows:

A motion may, in case of urgent and pressing necessity previously explained by the mover, be made by unanimous consent of the house without notice having been given under standing order 41.

That is the rule. Under standing order 42 I am entitled to explain the urgent and pressing necessity of this motion, and I simply wish to take a few moments to do so. My motion seeks to have the house order the standing committee on external affairs and national defence the members of which will be named later today, to meet not later than tomorrow morning in order to discuss and hear evidence on the tragedy in Biafra and, hopefully, to make recommendations which will enable Canada to take the most effective part possible in meeting both a humanitarian and political challenge.

The motion I seek to move sets out terms of reference sufficiently broad which I believe will commend themselves to members of this house. I am sure there is no doubt in the mind of any hon. member as to the urgent and pressing necessity of obtaining further information on this tragedy. It has been estimated that at least 6,000 civilians are dying of starvation every day in Biafra.

Although we have not officially received the report of the official observer group, we have read in the press that that group asserts there is no evidence of genocide and that food supplies for civilians are adequate in Biafra. We must find out what parts of Nigeria this observer group visited and under what conditions. The house is already aware that two of its hon. members, the hon. member for Egmont (Mr. MacDonald) and the hon. member for Greenwood (Mr. Brewin), have just returned from visiting those lands which are still in Biafran hands. I doubt whether in the history of Canada there has ever been a human tragedy so far from our shores which has had such a powerful effect on the consciences of Canadians. The Prime Minister is well aware of the interest many Canadians take in this matter and of the depth of feeling that exists.

I am therefore asking the house to proceed under standing order 42, and we wish to emphasize that our primary concern is not to engage in debate at this point but rather to obtain as much factual information as possible. To that end the committee on external affairs and national defence ought to hear evidence and bring in recommendations which will enable the government and this house to take effective and immediate action.

It will be seen from the motion that while the hon. member for Greenwood and the hon. member for Egmont are to be invited to report their observations to the committee, it will be open to the committee to hear evidence from other sources in a position to give evidence on the situation in Biafra.

I therefore seek the unanimous consent of the house to move the following motion, seconded by my hon. friend from Peace River:

That it be resolved by the House of Commons that it is urgent and expedient that it order the standing committee on external affairs and national defence, to be named later this day, to convene not later than 11:00 a.m. Tuesday, October 8 to hear evidence on (1) the report of the official observer group on which Canada has a member, of the conduct of federal troops in the prosecution of the war in Nigeria, (2) the reported famine conditions in that country, and to invite Andrew Brewin, M.P. (Greenwood) and David MacDonald, M.P. (Egmont) to report their observations on the conditions of the civilian population in Nigeria, and to report its findings to this house with all convenient speed.

I have not in the motion set a time limit for the committee but I would be disappointed, should the house adopt this resolution, if the committee did not report back to the house within one week.

Some hon. Members: Hear, hear.

Mr. Speaker: The house has heard the motion which the Leader of the Opposition proposes to put forward, seconded by the hon. member for Peace River. As the hon. gentleman has indicated, standing order 42 requires the unanimous consent of the house. According to the rules all substantive motions require 48 hours notice but the house can, of course, take a decision in exceptional circumstances to allow such motions to be made by unanimous consent. Before putting the motion I have to ascertain whether there is such unanimous consent on the part of the house.

Some hon. Members: Agreed.

Mr. Speaker: I should add that the motion becomes debatable once it is put to the house.

Mr. Stanfield: May I express my appreciation to the House of Commons for giving unanimous consent. Perhaps I should add one further word in requesting the house to adopt this resolution, now that consent has been obtained. There has, I think, been a considerable lack of hard information concerning the suffering and strife in Nigeria and Biafra, but it does not seem to be disputed that large numbers of persons are dying each day. There are apparently conflicting reports from our observers in Nigeria and from reporters and members of this house who have visited Biafra. The committee which it is proposed to establish will be able to hold hearings and judge, with respect to General Milroy's travels in Nigeria for instance, how much freedom of movement was accorded to him, and how realistic are the charges that he was able to see only model villages. In effect the committee will be able to judge what weight should be given to the evidence of the observers.

• (3:00 p.m.)

It is to be hoped that a similar close scrutiny will be given to the reports of other witnesses the committee will hear. In establishing this committee the house will learn where it is that people are starving if not in the areas visited by General Milroy. Through this committee we will be able to establish what form our relief ought to take; should we continue to concentrate on sending food, or should we be sending planes and medicines as well?

This committee should also be able to establish which relief agencies are best able to get the food to the starving. And by establishing the committee the government and this house will be able in short order to have the facts at its and our disposal, facts needed to make decisions which will lead to effective relief efforts by our country.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, we on the government side will be very happy to give unanimous consent to this motion, because we are interested in the obtaining of as much information on this situation as is possible, not only from members of the House of Commons but also from the Canadian public. We feel it is important not only to have information, but to understand also all the difficulties in international law and usage, in bringing about a proper solution to this problem.

I do not want to make this a long debate. I am prepared to say now that if this is the best way of doing it then we give unanimous consent to the introduction of the motion. I should like to say, however, that it was our intention to set up the committees of the house as soon as we had the names for the various committees from the opposition parties. There has been a bit of delay, though not on this committee. This committee can be set up now. Nevertheless, we do want to set up all the committees as soon as possible.

Our opinion is that if this standing committee of the house could be set up this afternoon we would be prepared to refer the estimates to it this afternoon or tomorrow, sir, and of course all aspects of this matter could be brought out before that committee. We are a little afraid, however, that the terms of the present motion, although certainly valuable and acceptable to our side, may perhaps be a bit too restrictive.

There is the question of the reported famine, but we feel it might be important to have any evidence available on the accusation of genocide as well. We feel that that is a very relevant part of the whole discussion because obviously the beleaguered parts of Nigeria are being pressured into some kind of submission either by force of arms or by force of hunger. The relevant question of whether this is going to be followed by genocide is something I think the committee would be interested in hearing about. The observers sent by our country and other countries have no evidence of that, but it would be interesting to learn if they are allowed to travel to other parts of Nigeria.

The Secretary of State for External Affairs is at present trying to ensure that the Canadian observer will be allowed to travel as widely as possible and to report as usefully as possible. The government did make the point earlier, when it was invited to send an observer to Nigeria, that it would not accept the invitation right away because we wanted some guarantee that our observer would not merely be in a position to whitewash the Nigerian government. We wanted to make sure that he would be there to obtain an impartial opinion and make impartial observations, and it was after getting a beginning to some guarantee on that point that we named our observer.

I make the point that we will accept this motion, but we feel the proper approach would be not only to hear these gentlemen but also to hear other people the committee

might want to listen to, including the Secretary of State for External Affairs when he comes back from New York. He has been down there holding a great number of discussions on the Biafran question. He is trying to advance the cause of humanity as much as he can, and it would be an advantage to have the committee hear him as soon as he comes back from the United Nations.

For these reasons, Mr. Speaker, we feel the alternative would be not to accept this motion but to have the standing committee seized right away, tomorrow, with the estimates of the Department of External Affairs and then be free to deal with all aspects of this question. I do not want to press this point, though other members of the house and of our party may want to follow up that suggestion.

Mr. David Lewis (York South): Mr. Speaker, on behalf of my colleagues and myself I welcome the motion, and as I informed the Leader of the Opposition we are very pleased that he is putting it forward. May I say to the right hon. Prime Minister, Mr. Speaker, on the last point he put forward, that he can accomplish both the objectives he has stated.

I suggest that the value of the motion is that it gives the subject matter of the motion priority when the committee assembles tomorrow, and I point out that the motion asks that the committee assemble tomorrow to deal with this matter. If the government will carry out the Prime Minister's suggestion, as I hope it will today, and (a) appoint the committee of external affairs and national defence and (b) refer the estimates to that committee, then, of course, the committee will be able to make any other inquiry relating to the situation in Biafra or any other situation. It will then have the authority not only of the terms of reference of this motion but also the general authority under the estimates to make the fullest possible inquiry.

Therefore on our behalf, and I am sure on behalf of other members of the opposition, I would agree that if the Prime Minister accepts the motion, as he has suggested he will despite his doubts, and in order to deal with the matter that concerns him at the same time the committee is appointed by the house have the estimates referred to that committee, then the widest possible inquiry will be available to it.

Now, Mr. Speaker, I want to make this point also, and I want to make it as strongly as I can. I am in favour of this subject going to the committee, but it is obvious that no matter how expeditiously the committee may handle the matter there will necessarily be some time consumed, maybe a week, maybe two weeks, and maybe as long as three weeks, before the committee is able to bring any recommendations to the house. I think it would be a dereliction of our duty as a parliament, a dereliction of the government's duty and of the duty of the people of Canada, if we waited until that committee reported before taking any action. I urge the government and the house not to permit the reference to the committee to be an excuse for inaction for the next one, two or three weeks.

I know, as all hon. members of the house know, that our colleagues the hon. member for Greenwood (Mr. Brewin) and the hon. member for Egmont (Mr. MacDonald), had an audience with the Prime Minister today, and that they are pursuing certain suggestions that were discussed with him. I see no reason why some of the actions that are urgently needed, such as the lending of Hercules aircraft and similar actions, should be delayed pending the results of the inquiry and report of the committee. I think it is important to emphasize this because it is all too easy to appoint a committee to make inquiries and then sit back until the committee reports. This situation is too urgent for that.

May I also point out that events in Nigeria-Biafra are moving rapidly. At one point it looked as if federal forces were going to capture all of Biafra. At the moment it looks as if the Biafran forces have been able to set back the advance of the Nigerian forces, but one never knows what will happen in the next few days and the problem of relief, of additional transport planes, is too urgent to wait upon the deliberations of the committee.

I think I also agree with the right hon. Prime Minister that the Secretary of State for External Affairs and the responsible officials of his department ought to be heard by the committee to explain more fully than he has been able to explain to this house the reason for certain attitudes of the government during the last few weeks, the details of which I need not go into. I think we ought to know more than we do now as to why the government has taken a position against certain actions that might have been taken before now.

• (3:10 p.m.)

I certainly agree that the whole problem, and whether the fear of the Biafrans that the federal government is out to annihilate many of the Biafran people has any validity should be considered. Therefore in summary I support wholeheartedly on behalf of my colleagues the motion before this house, with the reservation that neither the government nor this house ought to permit the appointment of the committee to delay any action which can and should be taken as soon as possible to assist this desperate situation of the Biafran people.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my colleagues and I also agree with the Leader of the Official Opposition (Mr. Stanfield) that it is urgent and expedient that the standing committee on external affairs and national defence convene as soon as possible to discuss the situation in Nigeria.

I think that all members should commend the hon. members for Greenwood and Egmont (Messrs. Brewin and MacDonald) for their initiative in going there and observing what was going on, so that the Canadian government might be better informed on the situation now existing in Nigeria. According to the news published in newspapers, or broadcast on radio and television, the Prime Minister (Mr. Trudeau) tells us over and over again that Nigeria is a friendly nation and that we must avoid taking initiatives that could be prejudicial to this friendship between Nigeria and Canada. However, perhaps there is a difference between that and knowing and saying exactly what is happening in Nigeria. Anyone can have a perfectly proper person for a friend who, for some reason or other, suddenly becomes a gangster of sorts, he is then no longer your friend.

For example, when we learn that Red Cross people are shot like dogs by Nigerian troops or people attached to them, in my opinion we have a duty to take a stand, not two or three weeks hence but immediately. When we read in the press that civilians, children and mothers of families are starving, that they are worse off than animals, I say that there is a limit to abuse, even though Nigeria is a friend of Canada. It is important, therefore, that the committee should meet to hear especially the two members who have come back from Nigeria, and to know exactly what the living conditions of the civilian populations are in Nigeria.

We, therefore, support with enthusiasm the motion of the Leader of the Official Opposition to the effect that the standing committee should meet as soon as possible. However, as the honourable member for York South (Mr. Lewis) said a while ago, let us not wait two or three weeks or even a month before getting a report and knowing what position to adopt, and what action to take in order to help and protect the unfortunate peoples of Nigeria.

[*English*]

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, as the Prime Minister has already pointed out to the house the terms of the motion are rather restricted in the sense that they confine themselves to the report in which General Milroy participated, and the expedition of the hon. member for Greenwood and the hon. member for Egmont. As the Prime Minister indicated, it would be desirable that not only the reports of these two different groups but events in Nigeria generally should be considered by the standing committee on external affairs and national defence.

Therefore I should like to indicate it is my intention after this motion is adopted to move under the standing orders that the estimates of the Department of External Affairs for 1968-69 be referred to the standing committee later this day, when I receive the nominations of all hon. gentlemen opposite to that committee. In that way I hope the estimates and this particular resolution can be considered together so that all the events taking place in Nigeria and particularly in that part called Biafra can be looked into by the committee at an early date.

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

Some hon. Members: Question.

Motion (Mr. Stanfield) agreed to.

REFERENCE OF ESTIMATES TO STANDING COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, pursuant to standing order 57 I move:

That the estimates of the Department of External Affairs for the year 1968-69 be referred to the standing committee on external affairs and national defence to be named later this day.

Motion agreed to.

Questions

TRADE

REFERENCE TO COMMITTEE OF WHITE PAPER ON ANTI-DUMPING

On the order: Government notices of motion:

October 3, 1968—The President of the Privy Council—That the white paper on anti-dumping tabled on September 20, 1968, be referred to the standing committee on finance, trade and economic affairs.

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

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

DIRECTORSHIPS HELD BY CABINET MINISTERS

Question No. 2—**Mr. Knowles (Winnipeg North Centre):**

1. Are any Cabinet Ministers directors of any companies, corporations, etc., and, if so, what Ministers, of what companies or corporations are they directors, and at what date were any directorships presently held by such Cabinet Ministers assumed?

2. Did any Cabinet Ministers resign any directorships on being sworn of the Privy Council and, if so, which Ministers, on what dates, and from what companes or corporations?

Hon. Donald S. Macdonald (President of the Privy Council): 1. Yes. Hon. Robert Andras: Gibson Motors (1962) Limited, July 1, 1962; Gibson Lease and Rentals Limited, 1963; Andras-Hague Limited, 1960; Strathwin Limited, 1962. Hon. J. J. Greene: Arnprior and District Memorial Hospital, July 17, 1958.

2. On being sworn of the Privy Council on July 6, 1968, the following cabinet ministers resigned directorships as follows: Hon. Donald Jamieson: Newfoundland Broadcasting Co. Ltd.; CTV Television Network Ltd.; CANET Holdings Ltd.; Bavarian Brewing Co. Ltd. Hon. James Richardson: Canadian Imperial Bank of Commerce; Hudson's Bay Company; The Investors Group; Investors Mutual of Canada Ltd.; Investors Growth Fund Ltd.; Investors International Fund Ltd.; Investors Syndicate Ltd.; Provident Mutual Fund Ltd.; International Nickel Co. of Canada Ltd.; Canadian Pacific Railway Ltd.; United Canadian Shares Ltd.; Canadian Indemnity Ltd.; James Richardson & Sons, Limited and its associated companies.

[Mr. Macdonald (Rosedale).]

PUBLIC SERVICE SUPERANNUATION ACCOUNT

Question No. 5—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money in the Public Service Superannuation Account as at (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

2. What rate of interest does the Government pay for the use of this money?

3. What amount of interest was credited to the Public Service Superannuation Account during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

4. What was the total amount paid out of the Public Service Superannuation Fund during the fiscal years ending (a) March 31, 1964 (b) March 31, 1965 (c) March 31, 1966 (d) March 31, 1967 (e) March 31, 1968?

Hon. E. J. Benson (Minister of Finance): 1. Balance in the superannuation account as of (a) March 31, 1964, $1,856,407,622; (b) March 31, 1965, $2,161,828,358; (c) March 31, 1966, $2,390,383,091; (d) March 31, 1967, $2,689,467,819; (e) March 31, 1968, $2,875,-823,276.

2. Interest is credited to the superannuation account on the last day of each quarter in every fiscal year calculated at the rate of 1 per cent of the balance to the credit of the account on the last day of the preceding quarter.

3. Interest credited to the superannuation account during the fiscal years ending (a) March 31, 1964, $71,756,270; (b) March 31, 1965, $78,715,785; (c) March 31, 1966, $89,-499,085; (d) March 31, 1967, $98,499,363; (e) March 31, 1968, $110,897,897.

4. Total amounts paid out of the superannuation account during the fiscal years ending (a) March 31, 1964, $56,807,908; (b) March 31, 1965, $64,160,629; (c) March 31, 1966, $69,906,914; (d) March 31, 1967, $74,-902,119; (e) March 31, 1968, $84,113,503.

PENSIONS OF RETIRED C.N.R. EMPLOYEES

Question No. 10—**Mr. Knowles (Winnipeg North Centre):**

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

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

3. How many are in receipt of pensions of (a) $25.01 to $29.99 per month (b) $30 to $39.99 per month (c) $40 to $49.99 per month (d) $50 to $59.99 per month (e) $60 to $69.99 per month (f) $70 to

$79.99 per month (g) $80 to $89.99 per month (h) $90 to $99.99 per month (i) $100 to $124.99 per month (j) $125 to $149.99 per month (k) $150 to $199.99 per month (l) $200 to $299.99 per month (m) $300 per month or over?

Hon. Paul Hellyer (Minister of Transport): The management of Canadian National Railways advises as follows: 1. 388

2. 2,241

3. Amount of pension	Number
$ 25.01 to $ 29.99 a month	639
30.00 to 39.99 a month	1,301
40.00 to 49.99 a month	1,062
50.00 to 59.99 a month	886
60.00 to 69.99 a month	795
70.00 to 79.99 a month	848
80.00 to 89.99 a month	879
90.00 to 99.99 a month	917
100.00 to 124.99 a month	2,458
125.00 to 149.99 a month	2,246
150.00 to 199.99 a month	3,571
200.00 to 299.99 a month	4,255
300.00 and over	1,961

In a number of cases the amounts of pensions paid by Canadian National Railways do not represent the total pensions payable to employees for railway service. Pensions payable by the C.N.R. to international employees (service in both Canada and the United States) relate to their service in Canada only. Such employees also receive annuities payable under the U.S. railroad retirement act or the social security act for service performed in the United States. For example, in the group receiving pensions of under $25 from the C.N.R., there are 63 former international employees who also receive U.S. railroad retirement or social security annuities in respect of C.N.R. service rendered in the United States. The balance of this group consists of employees who elected early retirement (before age 65) with reduced basic ($25) pensions, and employees who had very short service and small contributions.

MILITARY BANDS

Question No. 27—**Mr. Harkness:**

1. How many military bands have been disbanded, or are to be disbanded, in 1968?

2. How many military bands are to be retained, and what are their names?

Hon. Léo Cadieux (Minister of National Defence): 1. and 2. In the reorganization of full time professional bands of the regular force, eight bands are being disbanded and nine bands are being retained. Bands now maintained on a voluntary basis by about 40 units will be continued with greater help being given them through the addition of permanent music instructors.

The nine regular force bands being retained are: The Canadian Forces Stadacona Band, Halifax, N.S.; La Musique du Royal 22e Regiment, Quebec City, P.Q.; The National Band of the Canadian Armed Forces, Ottawa, Ont.; The Royal Canadian Regiment Band, London, Ont.; Training Command Band, Winnipeg, Man.; Princess Patricia's Canadian Light Infantry Band, Calgary, Alta.; The Canadian Forces Naden Band, Esquimalt, B.C.; A band at Canadian Forces Base Kingston, the name of which will be announced shortly. A band at Canadian Forces Base Montreal, the name of which will be announced shortly.

DAMAGE TO FENCE, SPRINGHILL PENAL INSTITUTION

Question No. 29—**Mr. Coates:**

1. On what date did the fence surrounding the Young Offender's Penal Institution blow down or become damaged and require repairs?

2. On the date in question what was the velocity of the wind?

3. What was the estimated cost of the repairs in question?

4. Why were repairs not effected and why were tenders called and a contract awarded for reinforcement of this fence and what was the extent of the reinforcement and what was the amount of the tender awarded?

Hon. Arthur Laing (Minister of Public Works): 1. February 11, 1966. Further damage occurred December 14 and 26, 1966.

2. Wind on February 11, 1966 was approximately 45 to 50 miles per hour.

3. Actual cost was $7,950.

4. Repairs were effected. Tenders called and a contract awarded for fence reinforcement required to prevent further damage. Reinforcement consisted primarily of placing diagonal braces to posts. Contract awarded $96,000, but through modification to design was reduced to $78,612.

*CONSULTANT ARCHITECTS, SPRINGHILL PENAL INSTITUTION

Question No. 30—**Mr. Coates:**

1. What is the name of the firm of consultant architects retained by the federal government in relation to the Young Offender's Penal Institution at Springhill?

2. How much has this firm received to date for services rendered and have they completed their

responsibilities insofar as this institution is concerned and, if not, what is the estimated total cost for services rendered?

3. Did this firm of architects determine the specifications for the fence that was damaged when initially constructed and did they receive an additional fee with regard to the repairs and reinforcement of the fence that was later effected?

4. Did this firm of architects determine the specification for the Inmate Activities Building and was it determined that these specifications were the reasons for the faults in construction that were discovered on completion of the building?

5. Is the Inmate Activities Building being repaired and, if so, who will bear the responsibility for these repairs?

6. Did this firm of architects determine the specifications for the repairs to the Inmate Activities Building and will they receive a fee for the work involved?

Hon. Arthur Laing (Minister of Public Works): 1. C. D. Davison & Company.

2. $471,000 paid to date, and they have not yet completed all their responsibilities. Total estimated cost of consultant services is $502,000.

3. Yes, based on the design supplied by the Department of Public Works. Fee paid to consultants for supervision of stiffening work carried out and partial fee for stiffening design. No fee was paid for straightening original damage.

4. Yes, yes.

5. Yes. The Department of Public Works holds the consultant responsible.

6. Yes, no.

FENCE CONSTRUCTION, SPRINGHILL PENAL INSTITUTION

Question No. 31—**Mr. Coates:**

1. What was the cost of constructing the initial fence around the Young Offender's Penal Institution at Springhill and who carried out the contract?

2. Was the fence built according to the specifications stipulated by the architect and, if so, what were these specifications?

3. How many similar fences have been constructed around penal institutions in Canada and of these how many were constructed with the same specifications as the fence at Springhill?

Hon. Arthur Laing (Minister of Public Works): 1. Approximately $99,000. Contract carried out by Foundation Maritime Limited.

2. Yes, standard specifications governing fences of this type.

3. Four, all with specifications similar to Springhill.

[Mr. Coates.]

*INMATE ACTIVITIES BUILDING, SPRINGHILL PENAL INSTITUTION

Question No. 33—**Mr. Coates:**

1. What was the initial cost of the Inmate Activities Building at the Young Offender's Penal Institution at Springhill?

2. Who was the contractor and were public tenders called for the construction of this building and what was the amount of the tender awarded to the successful bidder?

3. Were faults found in the construction of this building and, if so, was an investigation carried out to determine who was responsible for the faults in question?

4. Are the faults in the Inmate Activities Building to be repaired, and, if so, by whom, and under what arrangement and what is the cost of the repairs in question?

Hon. Arthur Laing (Minister of Public Works): 1. Approximately $1.3 million.

2. Simpson Construction Limited. Public tenders were called and a contract was awarded for construction of the building in question as well as other buildings for a total amount of $1,894,000.

3. Yes, faults were found in the construction of this building and an investigation was carried out.

4. Yes, faults are to be repaired by Simpson Construction Limited and the department is holding the consultant responsible. Estimated cost is $55,000. Actual cost will not be known until work is completed.

PAYMENTS TO PROVINCES UNDER PUBLIC UTILITIES TAX ACT

Question No. 52—**Mr. Fortin:**

What amount did each province receive under the Public Utilities Income Tax Transfer Act (Statutes of Canada 1966-67 c. 43)?

Hon. E. J. Benson (Minister of Finance): Adequate data are not yet available to determine the initial payments to each province under the Public Utilities Income Tax Transfer Act, (S.C., 1966-67, c. 43); these are in respect of the taxation year, 1966, and will be determined during the fiscal year.

ROYAL CANADIAN MOUNTED POLICE

Question No. 55—**Mr. Fortin:**

1. How many constables has the R.C.M.P. had for each of the last three years and how many were stationed in each of the provinces?

2. Does the government intend to replace the expression "Gendarmerie royale du Canada" by the expression "Gendarmerie canadienne"?

3. How big a grant does the government pay annually as compensation to provinces that have their own police systems?

Hon. G. J. McIlraith (Solicitor General): 1. The numbers of members on the R.C.M.P. establishment by provinces and totals for each of the fiscal years, 1965-66, 1966-67 and 1967-68 are as follows:

Province	1965-66	1966-67	1967-68
Prince Edward Island	60	67	67
Newfoundland	360	377	387
Nova Scotia	480	512	515
New Brunswick	315	357	378
Quebec	617	771	719
Ontario	1,999	1,972	2,163
Manitoba	500	531	564
Saskatchewan	981	1,129	1,157
Alberta	888	1,163	1,259
British Columbia	1,783	1,918	2,027
Yukon, Northwest Territories and serving abroad	252	261	269
Totals	8,235	9,058	9,505

2. No.

3. The provincial governments in all the provinces, except Quebec and Ontario, have contracts with Canada under which Canada makes available to those provinces the services of the R.C.M.P. Canada is compensated for the use of those services by those eight provinces.

LOANS TO PRINCE EDWARD ISLAND STUDENTS

Question No. 62—**Mr. Macquarrie:**

1. For each year since the inception of the Student Loans plan, how many students from Prince Edward Island received loans?

2. What was the total amount for the Province in each year?

3. In this period how many applicants were refused loans?

Hon. E. J. Benson (Minister of Finance): 1.

Loan Year	Students Assisted
1964/65	437
1965/66	614
1966/67	838
1967/68	935

2.

Loan Year	Amounts of Loans Authorized
	$
1964/65	289,904
1965/66	455,910
1966/67	634,385
1967/68	724,290

3. Under the Canada Student Loans Act, applications are submitted to and processed by provincial authorities. Only information on certificates issued to students is available.

OFF RESERVE HOUSING PROGRAM FOR INDIANS

Question No. 66—**Mr. Howard (Skeena):**

1. Since the inception of the "Off Reserve Housing Program" for Native Indian people, how many applications have been received from people within the (a) Babine (b) Burns Lake (c) Stuart River (d) Terrace (e) Skeena River, and (f) Bella Coola Indian Agencies?

2. By Indian Agency, how many such applications were made between (a) May 1, 1967 and May 31, 1967 (b) June 1, 1967 and June 30, 1967 (c) July 1, 1967 and July 31, 1967 (d) August 1, 1967 and August 31, 1967 (e) September 1, 1967 and September 30, 1967 (f) October 1, 1967 and October 31, 1967 (g) November 1, 1967 and November 30, 1967, and (h) December 1, 1967 and December 31, 1967?

3. How many of the said applicants by month of application (a) have received final approval, and (b) are currently living in a home acquired under the said Program?

4. Have any of the said applicants (a) expressed any discontent with the speed with which their application was being dealt with, and (b) have any applicants withdrawn or attempted to withdraw their applications and what was the reason in each case?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. (a) three; (b) none; (c) two; (d) three; (e) eighteen; (f) none.

2. (a) none; (b) Terrace one, Skeena five; (c) Terrace one, Skeena one; (d) Babine one, Terrace one; (e) Skeena six; (f) Skeena one; (g) none; (h) none.

3. (a) Two applicants who applied in June 1967 and one who applied in September 1967 have received final approval. (b) The three applicants mentioned in (a) above are currently living in their home.

4. (a) Some discontent has been expressed by applicants over delay in acquiring a home. However, the difficulty being experienced is convincing the applicant that it is his responsibility to locate the house he wishes to purchase, or the type of house and area where he wishes to have a house constructed. (b) Six applicants have withdrawn their applications, generally for the following reasons: (i) unable to find a house within the approved amount of their application as related to income, and unable to finance the additional cost; or (ii) have changed their minds about buying a house, and have made other plans.

Questions

AUTOMOBILE INDUSTRY

Question No. 72—**Mr. Dumont:**

1. How many persons are employed in Ontario in the manufacture of automobile parts?

2. How many persons are employed in Quebec in the manufacture of automobile parts?

3. How many motor vehicles are there in the Province of Ontario?

4. How many motor vehicles are there in the Province of Quebec?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: 1. The estimated average number of persons employed in establishments classified by the Dominion Bureau of Statistics as motor vehicle parts and accessories manufacturers in Ontario for 1967 was 33,400.

2. The estimated average number of persons employed in establishments classified by the Dominion Bureau of Statistics as motor vehicle parts and accessories manufacturers in Quebec for 1967 was 740.

3. In the Province of Ontario there were 2,736,366 motor vehicles registered at the end of the registration year—February 28, 1968 for passenger vehicles and March 31, 1968 for commercial vehicles.

4. In the Province of Quebec there were 1,769,154 motor vehicles at the end of the registration year—February 28, 1968.

ADMIRALTY COURT

Question No. 76—**Mr. Fortin:**

1. Who are the judges of the Admiralty Court?

2. Where is this Court's record-office located?

3. Does the Government intend to implement the recommendations of the Auditor General in regard to the reorganization of this Court and, if not, for what reason?

Hon. John Turner (Minister of Justice): 1. The Admiralty Act, Chapter 1, Revised Statutes of Canada, 1952, provides that the Exchequer Court of Canada shall continue to be a Court of Admiralty and to be as such a court of record and shall have and exercise on its Admiralty side general jurisdiction in Admiralty and that the President and the Puisne Judges of the Exchequer Court shall have and exercise throughout Canada the Admiralty jurisdiction of the Court. The Act also provides for the appointment by the Governor General, from time to time, of any judge of a superior or county court, or any barrister of not less than ten years standing, to be a District Judge in Admiralty of the Exchequer Court in and for the Admiralty District. There are such District Judges in each of the Admiralty Districts of Quebec, Nova Scotia, New Brunswick, Prince Edward Island, British Columbia, Ontario, Newfoundland and Manitoba. In addition, the Act provides that a District Judge in Admiralty, or, if he is incapacitated, a Judge of the Exchequer Court, may, from time to time, with the approval of the Governor in Council, appoint a Deputy Judge having the qualifications of a District Judge, having all such jurisdiction, powers and authority as are possessed by the District Judge. The Governor in Council may also, from time to time, appoint for any district, or portion of an Admiralty District, a Surrogate Judge or Judges.

2. There are registries in Toronto, Ontario; Quebec and Montreal in the Province of Quebec; Halifax, Nova Scotia; Saint John, New Brunswick; Victoria, and Vancouver in the Province of British Columbia; Charlottetown, Prince Edward Island and Winnipeg, Manitoba.

3. These recommendations have been studied. The Comptroller of the Treasury has been consulted and a further report has been received from him. The matter is under consideration and changes for the improvement of the administration of the Admiralty Court will be made to the extent practical and as circumstances permit.

[*English*]

ATLANTIC DEVELOPMENT BOARD

Question No. 92—**Mr. McCleave:**

1. Has the Atlantic Development Board been designated as the federal agency through which applications for special industrial incentives in nondesignated areas of Atlantic Canada are to be received?

2. In what respects does this formula compare with that used by ADA?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. No.

2. Not applicable.

FRED AGREEMENT, NEW BRUNSWICK AND QUEBEC

Question No. 101—**Mr. Coates:**

1. What was the total amount of the federal government commitment under the FRED Agreement with the Province of New Brunswick and

what was the financial formula for the undertaking of projects through this agreement?

2. How many projects have been undertaken to date in New Brunswick and what is the estimated cost to the federal government and the estimated cost to the Province of New Brunswick?

3. What was the total amount of the federal commitment under the FRED Agreement with the Province of Quebec and what was the financial formula for the undertaking of projects through this agreement?

4. How many projects have been undertaken to date in Quebec and what is the estimated cost to the federal government and the estimated cost to the Province of Quebec?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. $77,494,000. The financial formula varies with each program within the agreements. There are cost shared programs, programs fully financed by the province and programs fully financed by Canada.

2. Twenty three projects with estimated cost to the federal government $11,645,000, to the provincial government $13,536,000.

3. $212,920,000. The financial formula varies with each program within the agreement. There are cost shared programs, programs fully financed by the province and programs fully financed by Canada.

4. Four projects with estimated cost to the federal government $1,026,525, to the provincial government $342,175.

Questions

ATLANTIC DEVELOPMENT BOARD EXPENDITURES

Question No. 102—**Mr. Coates:**

1. What is the total expenditure to date committed by the Atlantic Development Board for projects undertaken or to be undertaken and what is the breakdown for each of the four provinces involved?

2. What is the amount of moneys already allocated for projects in the four Atlantic Provinces by the Atlantic Development Board, by province, for each of the years since the Board has been in operation?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. Actual expenditures, but not including studies undertaken from appropriations for administration and operation, were as follows to August 31, 1968:

	$
Newfoundland	41,949,014
Nova Scotia	24,777,280
Prince Edward Island	6,063,633
New Brunswick	40,567,829
	113,357,756

2. Funds allocated have been:

	Nfld. $	N.S. $	P.E.I. $	N.B. $
1962-63	—	—	—	—
1963-64	—	—	—	—
1964-65	27,250,000	5,600,000	435,000	24,375,000
1965-66	15,170,196	11,718,000	10,106,827	12,051,046
1966-67	2,390,379	17,790,610	154,000	1,673,179
1967-68	12,341,816	23,476,801	4,402,000	14,484,000
1968-69	3,508,717	808,099	1,592,201	2,362,094
Totals	60,661,108	59,393,510	16,690,028	54,945,319

BELL ISLAND—PORTUGAL COVE FERRY SERVICE

Question No. 113—**Mr. McGrath:**

1. Who is responsible for the franchise and operation of the Bell Island-Portugal Cove Ferry Service in the Province of Newfoundland?

2. Who is responsible for the regulation of rates and schedules for this service?

Hon. Paul Hellyer (Minister of Transport): The Canadian Transport Commission advises as follows: 1. The Bell Island-Portugal Cove ferry service is operated by a private corporation, Newfoundland Transportation Company Limited which is responsible for compliance with all requirements, provincial or otherwise, respecting licence or franchise.

2. The initial responsibility for establishing rates and schedules for the service rests with the operator but, because the service is subsidized by the federal government, the rates and schedules are subject to approval by the Canadian Transport Commission and, after approval, are incorporated into the subsidy agreement between the Canadian Transport Commission and the operator.

Questions

"LIFE AND POVERTY IN THE MARITIMES"

Question No. 124—**Mr. McQuaid:**

1. Which department or agency of government commissioned Pierre-Yves Pepin to prepare and publish the report on "Life and Poverty in the Maritimes"?

2. How many people were associated "in the field" with Mr. Pepin in the preparation of this Report; who were they; where do they ordinarily reside; and what are their regular occupations?

3. During the preparation of this Report how long did Mr. Pepin or his associates spend in King's County, Prince Edward Island?

4. How many people did Mr. Pepin or his associates personally interview in King's County during the preparation of the Report and what were their ages, occupations and educational qualifications?

5. What was the total cost to the government, or any agency thereof, of the preparation of this Report as to (a) remuneration to Mr. Pepin (b) travelling expenses to Mr. Pepin (c) remuneration and travelling expenses of those associated with Mr. Pepin, and (d) printing and distribution of the Report?

6. What action, if any, has the government or any agency thereof, so far taken to correct the distressing conditions reportedly found in King's County?

7. What further plan of action does the government have to correct these conditions and how soon is it expected to put this plan into effect?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. Department of Forestry and Rural Development.

2. None.

3. Not recorded in government files.

4. Not recorded in government files. The publication lists interviews with three engaged in agriculture, three clergymen, two labourers, two fishermen, one cook and one fishbuyer.

5. (a) Total contract price of $15,680 paid on progress basis. (b) Included in (a), the contract price. (c) Not applicable. (d) Printing $12,139.09. Distribution, editing and translation are not costed individually in the department.

6. As a result of extensive research and feasibility studies a comprehensive socio-economic plan has been drawn for Prince Edward Island, including King's county.

7. Negotiations are presently underway with Prince Edward Island which may lead to an agreement to implement such a plan.

[Mr. Hellyer.]

USE OF HOVERCRAFT IN MARITIMES FERRY SERVICES

Question No. 131—**Mr. MacLean:**

1. Has the government made any study of the possible feasibility of augmenting the Borden-Cape Tormentine ferry service and/or the Wood Islands-Caribou ferry service with the SRN 4-type Hovercraft, which will carry over 30 automobiles and 250 passengers at speeds up to 35 m.p.h., and which was to go into use on the Dover-Boulogne cross-channel route on August 1, 1968?

2. If such a study has been made, what were the conclusions arrived at?

Hon. Paul Hellyer (Minister of Transport): 1. Yes.

2. The government, as part of its policy to assess and monitor the applicability of air cushion vehicles in Canada, has in co-operation with industry conducted a series of studies to enhance the area of knowledge relating to this new form of transport. This process has involved the conduct of operational tests in the north to assess the problems associated with operations under severe winter conditions, the employment of consultants to investigate and report on the market potential for air cushion vehicles in Canada and to prepare recommendations on the suitable future development of vehicles, and a study within the Department of Transport to assess the operational and economic characteristics of existing craft and to test their applicability to specific routes in Canada.

As part of this activity, studies have been conducted jointly by the staff of the Department of Transport and of British Hovercraft Corporation to investigate the problems associated with the operation of either the existing or specially developed SRN-4 Hovercraft for the Prince Edward Island ferry system. These studies are being actively continued and consideration is being given to the possibility of conducting trials in the Northumberland strait. I shall inform the house if and when an acceptable proposal has been worked out.

The results of studies conducted so far indicate that the cost of transporting cars between Borden and Tormentine by an SRN-4 is considerably more expensive than by the use of modern ferries. On the other hand, the amphibious quality of the SRN-4 may make it possible to conduct fast and regular services in the strait during the winter season when existing ferry services are hampered. The tests which are under study, will give better information on the general suitability of the SRN-4 for service not only in the Northumberland strait but also on other routes in eastern Canada.

PURCHASE OF DOSCO

Question No. 158—**Mr. Fortin:**

1. Has the purchase of DOSCO by the Cape Breton Development Corporation been completed and, if so, what is the total indemnity?

2. Is this indemnity payable in cash or in bonds?

3. What was the method of evaluation and was it based on the value of the shares or on the market capitalization?

4. Does the government intend to set up a similar corporation to deal with the Lévis shipyards?

[*Translation*]

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. No.

2 and 3. As provided by Sections 10 to 13 of the Cape Breton Development Corporation Act, chapter 6, Statutes of Canada, 1967-68.

4. Not at this time.

PROJECTS UNDERTAKEN UNDER ARDA

Question No. 159—**Mr. Fortin:**

1. What projects have been undertaken under the Agricultural Rehabilitation and Development Act in the Province of Quebec and in the federal constituency of Lotbinière since 1965?

2. What is the nature of these projects?

3. What is the pro rata contribution (a) of the federal government (b) of the provincial government, towards these projects?

4. Have any requests been received from the Province of Quebec on behalf of the constituency of Lotbinière to undertake further projects and, if so (a) where will these projects be carried out (b) what will be the nature of each programme?

5. How much money will be appropriated for each of these projects?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. Projects undertaken under authority of the Act in the Province of Quebec since 1965 to August 1968 are as follows: (1) Aerial Reconnaissance and Climatological Study of Mount Logan; (2) Adaptation and Training Problems of Waswanipi and Mistassini Reserve; (3) Canada Land Inventory Studies for 1965-66; (4) Feasibility Study to Transform Marginal Dairy Farming; (5) Mechanization Impact of Logging Industry; (6) Research Consultant on Blueberries in Lac St. Jean; (7) Community Organizational Structure Analysis; (8) Survey Individuals in 8 Regions re Population; (9) Federal Research on Rural Program Development Techniques; (10) Modernization of Quebec Dairy Farms; (11) Modernization of Quebec Dairy Farms—Engineering Research; (12) Canada Land Inventory Program Renewal for 1966-67; (13) Canada Land Inventory Program Renewal for 1967-68.

Approximately 180 projects in addition to those listed were approved under the authority of the Federal-Provincial Rural Development Agreement 1965-70 in the Province of Quebec. No projects authorized under the Act have specific or exclusive application to the constituency of Lotbinière. Several projects authorized under the Agreement are wholly or partly within the constituency.

2. The projects authorized under the Act were research studies related to resource use, adjustment and development, and related social adjustments.

3. (a) Total costs of the projects listed are borne by the federal government. (b) Nil.

4. No.

5. Not applicable.

[*English*]

ROBERTS BANK RAIL LINE

Question No. 163—**Mr. Rose:**

1. Has Canadian National Railways applied to the Canadian Transport Commission to participate in the construction of a rail-line from Colebrook Road to Roberts Bank in British Columbia?

2. If so, has the Minister of Transport been consulted on the question of construction and what is the government's position?

Hon. Paul Hellyer (Minister of Transport): The Canadian Transport Commission advises as follows: 1. No.

2. Not applicable.

TENDER CALL, CONTRACT N.W.T. 101-68

Question No. 183—**Mr. Lambert (Edmonton West):**

1. What was the date of the tender call for contract N.W.T. 101-68 and its date of closing?

2. What works were to be included in this contract and at what points?

3. What was the stated date of completion and what is the new date of completion?

4. How many bids were received, from whom, and for what amounts?

5. Was a decision made to delay the award of the contract, on what date and for what reasons?

6. Had an award of contract been made as of August 31, 1968 and to whom?

7. Why was the lowest bid not accepted?

8. Were bid bonds from unsuccessful tenders still unreturned as of August 31, 1968?

Questions

9. Do departmental records show who are the principals of Territorial Pre-Fab and who are they?

10. Was a contract for 20 pre-cut homes awarded to Territorial Pre-Fab in 1967 without any public tender call and, if so, why?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Tenders were called for contract N.W.T. 101-68 on February 19, 1968, and closed March 30, 1968.

2. Work included in the contract consisted of delivery to sites in Fort Smith, Hay River and Rae of pre-cut materials for a total of 30 three bedroom low cost houses.

3. Stated date of completion was initially July 15, 1968, but has since been extended to November 15, 1968.

4. The following three bids were received: Territorial Prefab Limited, $217,000; Muttart Builders Supplies, $204,880; Engineered Homes, $283,969.

5. No decision was made to delay the award of contract although the time taken to properly assess the bids and obtain Treasury Board approval of contract award delayed the award longer than anticipated.

6. No contract award had been made as of August 31, 1968.

7. The second lowest bid was accepted in order to provide employment for local unemployed people, thereby reducing federal welfare and relief costs. The acceptance of this bid resulted in a net saving to the crown.

8. The contract had not been awarded as of August 31, 1968, therefore bid bonds were not returned until after that date.

9. Territorial Prefab Limited is completely owned by 45 residents of Fort Smith.

10. A contract for the supply of pre-cut material for 30 houses was negotiated with Territorial Prefab in 1967. This company had been formed by local residents in an attempt to bolster the economy of Fort Smith following the announcement of Yellowknife as the capital of the Northwest Territories. Prices negotiated were comparable with those obtained by public tender on other contracts, therefore in order to assist the town and reduce federal welfare payments the contract was awarded to this local company.

IMPORTATION OF RUSSIAN CONSTRUCTION EQUIPMENT

Question No. 188—**Mr. Hales:**

1. Is it the intention of the government to continue to allow the importation into Canada of Russian construction equipment similar to that recently imported by Znider Bros. Construction Equipment Ltd. of Etobicoke?

2. What was the basis of evaluation and the rate of duty applied to the above equipment?

3. How does this compare to the method of evaluation and application of duty in the case of "Most Favoured Nations"?

4. Did the Russian Government subsidize in any way the manufacture of the equipment, the application of the equipment in Canada and/or the rental being paid to Znider Bros. who are alleged to be the importers and owners of the Halegate Equipment Co. of Britain?

5. If subsidization by the Russian Government did occur, is this not a form of dumping and as such unfair to Canadian companies who have made large capital investment in Canadian manufacturing facilities?

6. Has the government considered the loss of tax dollars through personal and corporate taxes, by endorsing the importation of such equipment?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. The Canadian-Soviet trade agreement provides that goods of U.S.S.R. origin are entitled to most favoured nation tariff treatment. The trade agreement was extended in 1966 for a period of three years and governs the tariff treatment accorded to construction equipment.

2. The values declared on the customs invoices were used in determining the value for duty. Under the most favoured nation tariff agreement, the bulldozers, tractors and combines, which have been imported, are entitled to entry free of duty, the excavators were entered at the 15 per cent rate of duty. Off-highway trucks, which have not at this time been entered for consumption, are subject to a 10 per cent duty rate.

3. The valuation for customs purposes of goods imported into Canada is not dependent upon the tariff treatment accorded the country of export. Under the valuation provisions of the Customs Act, goods are normally valued at the higher of the fair market value or the selling price to the purchaser in Canada. This procedure was followed in this case.

4. There is no information available on these points.

5. See answer to question 4.

6. The government is continually reassessing the impact of imported goods on the Canadian economy.

CLOSING OF PILOTS STATION, TROIS-RIVIÈRES-OUEST, QUE.

Question No. 197—**Mr. Mongrain:**

Does the Department of Transport or the National Harbours Board intend to close the Pilots'

Station at Trois-Rivières-Ouest and, if so (a) on what date (b) for what reasons will the station be closed (c) to what location will the Station be transferred?

Hon. Paul Hellyer (Minister of Transport): No. (a) Not applicable. (b) Not applicable. (c) The station will, at a date not yet determined, be moved to a central location in the port of Trois-Rivières.

BANK GOVERNORS AND FINANCE MINISTERS

Question No. 216—**Mr. Latulippe:**

1. What are the names of the Governors of the Bank of Canada since 1944 and on what dates did they take office?

2. What are the names of the Finance Ministers of Canada since 1944 and on what dates did they take office?

Hon. E. J. Benson (Minister of Finance): 1 and 2: The only change from the answer to question No. 2114 on page 9599 of *Hansard* for November 7, 1966, is the addition of Hon. Edgar J. Benson who took office on April 20, 1968.

PAYMENT OF AIR FARE FOR NEW YORK ARTIST

Question No. 217—**Mr. Osler:**

Did the Canada Council pay the air fare for Ralph Ortiz, the axe-wielding artist from New York, in order that he might participate in a show "Mission Destruction" held in a Vancouver warehouse on August 27th, 1968 and, if so (a) what was the amount of such payment (b) what was the criterion observed by the Council in subsidizing this performance, and (c) how many people attended that show?

Hon. Gérard Pelletier (Secretary of State): The Canada Council has provided the following answer: (a) It paid the air fare for Ralph Ortiz to enable him to present this event in Vancouver and to have discussions with artists in the community. The amount paid was $284. (b) The council makes modest allotments from time to time in experimental and sometimes controversial aspects of the arts. Its small grant to the Douglas Gallery of Vancouver to bring Ralph Ortiz from New York to the west coast was given only after professional advice obtained here in Canada indicated that a small travel grant was justified. Mr. Ortiz, who is a New York artist with an international reputation, had already taken a major part in a symposium held in London, England, in 1966 and in similar manifestations elsewhere. (c) The council is informed that 80 people were present at the event and that in addition Mr. Ortiz met the leading painters of Vancouver.

CORN IMPORTS

Question No. 236—**Mr. McCutcheon:**

1. From what countries has grain corn been imported into Canada during 1968?

2. What has been the volume of imports each month from September 1, 1967, up to and including September of this year?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion of Bureau Statistics reports that:

1. During 1968 grain corn was imported into Canada from Portugal and the United States.

2. The volume of imports each month from September 1, 1967, to July 31, 1968, (latest available statistics) is as follows:

1967	Quantity Bushels
September	2,328,064
October	2,017,354
November	3,182,520
December	6,975,927
1968	
January	1,236,778
February	1,380,083
March	2,025,488
April	933,293
May	2,287,001
June	1,581,765
July	1,844,266

[*Translation*]

ASSISTANCE TO PROJECTS UNDER ARDA

Question No. 238—**Mr. Fortin:**

1. How many projects has the government agreed to assist under the ARDA program?

2. How many of these projects are located (a) in the Province of Quebec (b) in the federal constituency of Lotbinière?

3. How many such projects will be assisted in each of the other provinces?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. 1,228 to March 31, 1968.

2. (a) 310; (b) 13.

3.

Newfoundland	54
Prince Edward Island	97
Nova Scotia	113
New Brunswick	82
Ontario	105
Manitoba	95
Saskatchewan	217
Alberta	84
British Columbia	71

Questions

[*English*]

WHARF CONSTRUCTION, COUNTRY HARBOUR, N.S.

Question No. 242—**Mr. MacEwan:**

1. What are the names of the various tenderers and the amounts of the tenders for the contract for construction of a wharf at Country Harbour, Guysborough County, N.S.?

2. Has this contract been awarded and, if so, to whom?

3. If the contract has not yet been awarded, when is an announcement expected?

Hon. Arthur Laing (Minister of Public Works): 1. Stanley Reid Construction Limited, Port Hilford, N.S., $139,262.50; McNamara Marine Limited, Whitby, Ontario, $168,859.25; Mosher & Rawding Limited, Liverpool, N.S., $179,652.00; R. A. Douglas Limited, New Glasgow, N.S., $217,580.00; Kenney Construction Co. Ltd., Halifax, N.S., $232,699.00.

2. Yes, to Stanley Reid Construction Limited, Port Hilford, N.S.

3. Awarded October 4, 1968.

REVENUE AND PATRONS, VARIOUS POST OFFICES

Question No. 243—**Mr. Coates:**

1. What was the revenue from post offices at Port Howe, Malagash, Collingwood and Southampton and how many patrons does each post office serve?

2. What was the revenue from post offices at Port Greville and Fox River and what is the total number of patrons served by the two post offices?

Hon. Eric W. Kierans (Postmaster General):

1.

Name of Post Office	Revenue (1967-68) $	No. of Patrons
Port Howe	1,339.35	97
Malagash	1,782.39	186
Collingwood Corner	2,303.45	166
Southampton	1,375.79	101

2.

Port Greville	965.45	117
Fox River	324.45	

IMMIGRANTS TO CANADA, 1967-68

Question No. 247—**Mr. Coates:**

How many individuals came to Canada in 1967-68 as immigrants and of that number, how many indicated they would initially settle in one of the four Atlantic Provinces?

[Mr. Honey.]

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Manpower and Immigration): During the fiscal year 1967-68, 214,488 persons were granted landed immigrant status in Canada, and of that number, 4,687 indicated their intention to settle in one of the four Atlantic provinces.

PUBLIC SERVICE EMPLOYEES ON WINTER WORKS PROGRAM

Question No. 250—**Mr. Thompson (Red Deer):**

1. How many were employed in the Public Service to maintain the Winter Works Incentive Program?

2. With the cessation of this program, how have these employees been deployed?

Mr. Gérard Loiselle (Parliamentary Secretary to the Minister of Manpower and Immigration): 1. Eleven.

2. One employee retired having reached retirement age; two have been assigned to other employment in the department; eight are still engaged in handling claims arising out of the 1967-68 program and will be assigned to other duties in the department on completion of this work by the end of the year.

COAST LINE SECTION OF KEJIMKUJIK PARK, NOVA SCOTIA

Question No. 253—**Mr. Crouse:**

1. Has the government reached a decision for the establishment in Nova Scotia of a section of coastline which will be part of but separate from Kejimkujik National Park?

2. If so, what are the boundaries of the area selected?

3. What amount of money has been set aside for this development?

4. On what date is it anticipated a start will be made on this project?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Yes. The government has recommended the setting aside of a representative coastal area for preservation as a national park that would be considered as a coastal adjunct of Kejimkujik national park.

2. The definition of a boundary remains unfixed and is presently subject to federal-provincial negotiation and agreement.

3. None.

4. No specific date of project commencement can be given at this time.

AIRPORT CONSTRUCTION, VICTORIAVILLE, QUE.

Question No. 255—**Mr. Fortin:**

1. When will work begin on the construction of a regional airport at Victoriaville?

2. What is the expected cost of this construction?

3. When were the preliminary steps taken for this project?

Hon. Paul Hellyer (Minister of Transport): 1. Until economic and engineering studies have been performed by the department to assess the need for and the cost of developing an airport at Victoriaville, it is not known when or if work will begin.

2. It is not known what the expected cost of the construction will be.

3. On September 18, 1968, an economic study was requested to determine the need for a regional airport at Victoriaville. This study is now under way.

JOB CLASSIFICATION, NATIONAL DEFENCE CIVILIAN EMPLOYEES, HALIFAX

Question No. 265—**Mr. Stanfield:**

1. Have job classifications been carried out for all civilian employees of the Department of National Defence in Halifax?

2. If not, what groups are still to be dealt with and how many men are involved?

3. Are the pay schedules of these men "red-circle" and, if so, how long has this been in effect and when can they expect a change in this status?

Hon. C. M. Drury (President of the Treasury Board): 1. No.

2. There are 17 groups in the professional and scientific category and two groups in the administrative and foreign service category still to be dealt with. There are approximately 40 positions in Halifax in these groups. In addition, there are about 220 positions whose incumbents are at the present time being notified of the evaluation of their positions.

3. Until such time as collective agreements have been ratified and pay scales established, it is not possible to determine those employees who will be placed in holding classifications. However, of the positions which were reviewed prior to the introduction of collective bargaining, 20 of these are still occupied by persons in holding classifications with an effective date of October 1, 1965. The Public Service Commission continues to endeavour to place these people in other positions on a government-wide basis.

HOBBEMA INDIAN RESERVE SCHOOL BUILDING

Question No. 267—**Mr. Moore:**

1. What is the contract price of the new school building and the teacher's housing units now being built at the Hobbema Reserve?

2. How many rooms are in the school building?

3. What is the floor area of the school building?

4. Does the contract price include furnishing and equipment?

5. How many housing units are being built?

6. What is the floor area of each of the several units?

7. What are the architects' fees?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The original contract price was $768,800. Extras and miscellaneous have increased the contract price to $783,357.

2. 16 classrooms plus toilets, corridors, janitors' closets, store room and mechanical room.

3. Floor area 15,300 sq. ft. net, 27,230 sq. ft. gross.

4. No.

5. 12 (multiple unit).

6. 6, 1 bedroom units, 582 sq. ft.; 6, 2 bedroom units, 784 sq. ft.; 1 common laundry, storage, etc., 588 sq. ft.; 1 basement mechanical room, 609 sq. ft.; Total 9,393 sq. ft.

7. Architects' fees $45,108.

RESEARCH CENTRE IN SAINT-LÉON DE CHICOUTIMI

Question No. 282—**Mr. Lessard (Lac-Saint-Jean):**

What was the federal government's technical and financial participation in (a) the establishment of a research centre for blueberry growing at St. Léon in Chicoutimi constituency (b) the yearly operation of this research centre, and (c) what departments are involved in this project?

[*Translation*]

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): (a) Technical participation, nil; Financial participation, $72,607. (b) Technical, nil; Financial, nil. (c) Department of Forestry and Rural Development.

[*English*]

LOAN APPLICATIONS, INDUSTRIAL DEVELOPMENT BANK

Question No. 283—**Mr. Caouette:**

1. How many applications for loans were received by the Industrial Development Bank in 1967, by province?

Questions

2. How many loans were approved, by province?

3. What is the total amount of the loans approved, by province?

Hon. E. J. Benson (Minister of Finance): 1. The annual report of the Industrial Development Bank for the year ended September 30, 1967, contains information regarding the number and amount of loans by size, by province and by type of business. Information on the number of applications for loans by province is not published.

2 and 3.

Industrial Development Bank
Loan Approvals
During Fiscal Year Ending September 30, 1967.

(Amount in Thousands of Dollars)

	Number	Amount
Newfoundland	31	1,092
P.E.I.	8	515
Nova Scotia	45	1,516
N.B.	60	3,084
Quebec	404	20,780
Ontario	824	39,006
Manitoba	83	3,873
Sask.	111	4,962
Alta.	257	17,013
B.C.	330	19,914
Yukon	7	896
N.W.T.	8	481
	2,168	113,132

STRIKES SINCE 1963

Question No. 284—**Mr. Caouette:**

1. How many strikes have there been in Canada since January 1, 1963?

2. What was the total salary loss due to these strikes?

3. How much productivity did Canada lose due to these strikes?

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): 1. From January 1, 1963 to June 30, 1968, there were 2,409 strikes and lockouts in Canada. The total duration of these work stoppages was 16,797,870 man days; this represents about one fifth of one per cent of the estimated working time of non-agricultural paid workers during the period covered.

2. No statistics available.

3. No statistics available.

[Mr. Caouette.]

AMOUNTS APPROPRIATED UNDER ARDA

Question No. 286—**Mr. Laprise:**

1. Under ARDA, how much money was appropriated in 1967 and how much in 1968 for the constituency of Abitibi?

2. What projects have been carried out or are underway and how much money has been or will be appropriated for each project?

[*Translation*]

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. No ARDA money was appropriated specifically for the constituency of Abitibi either in 1967 or in 1968.

2. No ARDA projects, confined within the boundaries of the constituency of Abitibi, have been carried out or are underway. Several ARDA projects in the Province of Quebec may be applicable to all or a portion of the constituency of Abitibi, along with other areas.

[*English*]

SECOND NATIONAL PARK, P.E.I.

Question No. 291—**Mr. McQuaid:**

1. Has the government arrived at a decision for the establishment of a second National Park in Prince Edward Island?

2. If so, what is the area selected?

3. On what date is it planned to make a start on this project?

4. What is the estimated amount of money to be spent on this project?

5. If no decision for the establishment of this park has as yet been made, what is the reason for the delay and how soon may a decision be expected?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. The government has recommended the establishment of a second national park in Prince Edward Island. However, the decision for its establishment rests with the province which must necessarily provide the lands for park purposes, free from all encumbrances.

2. The matter of boundary definition remains to be agreed upon by the government and province of Prince Edward Island.

3. It is not possible to state, at this time, when a second national park will be established. Generally speaking, a period of 1½ to 2 years of planning, engineering and design work is required prior to commencing any physical work.

4. If a national park is established it is estimated that approximately $665,000 would

be expended on capital development in the initial five years following establishment. Ultimate expenditures cannot be estimated at this time.

5. The decision to establish a national park rests with the province. The establishing of an area as a national park requires that it be determined that this is the best and most appropriate use of land and resources. Before making this decision other uses, present and potential, have to be assessed.

SCIENCE COUNCIL OF CANADA

Question No. 292—**Mr. MacLean:**

1. What is the total membership of the Science Council of Canada?

2. What is the number of associate members?

3. What is the representation from the Atlantic Provinces?

4. Is the government taking steps to increase the membership on this Council from the four Atlantic Provinces?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): 1 and 2. Total membership of the Science Council of Canada is 29, of which 4 are associate members.

3. Representation from the Atlantic provinces is one.

4. On September 24, the Prime Minister announced the reappointment of two members and the appointment of six new members for terms of three years. One of these six new appointments is from the Atlantic provinces. In making such appointments an attempt is made to satisfy not only regional representation but the need for a reasonable cross-section of scientific disciplines as well as the three major sectors—universities, industry and government.

DEFENCE DEPARTMENT CIVILIAN EMPLOYEES, SOUTHERN VANCOUVER ISLAND

Question No. 296—**Mr. Anderson:**

1. What is the total number of civilians employed by the Department of National Defence in the southern Vancouver Island area?

2. How many of these are employed at (a) Work Point Barracks (b) CFB Esquimalt (c) Rocky Point Ammunition Depot (d) HMC Dockyard?

3. How many of those employed at HMC Dockyard are shipyard workers within the traditional meaning of the term?

Hon. Léo Cadieux (Minister of National Defence): 1. 2,837.

2. (a) 74; (b) 1,026; (c) 140; (d) 1,597.

3. 996—800 are prevailing hourly rate employees and 196 are technical and clerical support staff to the ship repair activity.

MILK SUBSIDIES

Question No. 298—**Mr. Beaudoin:**

1. Does the government intend, in view of the rising cost of living as well as the cost of farm machinery, taxes and administrative services on Canadian farms, during this session, to increase subsidies for the processing and production of fluid milk?

2. Does the government plan to send subsidies for processed milk directly to the processing plants, so that farmers will receive their share of subsidies at the same time as the payments they receive from the processing plants and for the same period?

Hon. H. A. Olson (Minister of Agriculture): 1. The government does not pay subsidy on milk used in the fluid trade. The subsidy is paid only on milk and cream used for manufactured dairy products. The rate of subsidy was increased for this year to $1.31 per hundredweight of milk testing 3.5 per cent butterfat, as compared to $1.21 last year.

2. No.

LOWER ST. LAWRENCE RIVER DREDGING

Question No. 302—**Mr. Dumont:**

Were the contracts for dredging in the Lower St. Lawrence-St. Francis Channel and between buoys 108B and 109B awarded by tender and, if so (a) what was the amount of the successful tender and who was awarded the contract?

Hon. Paul Hellyer (Minister of Transport): Yes, (a) $334,500, Marine Industries Ltd.

QUESTION PASSED AS ORDER FOR RETURN

PAYMENTS UNDER OLD AGE ASSISTANCE ACT

Question No. 164—**Mr. Fortin:**

1. How many persons, by province, and also in the federal constituency of Lotbinière, received benefits under the Old Age Assistance Act in 1965-66-67-68?

2. What is the average amount paid under the above Act (a) by province (b) for the federal constituency of Lotbinière?

3. How many persons are there between the ages of 65 and 70, in each province, and in the federal constituency of Lotbinière?

Return tabled.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I rise on a question of order. The object of starred question is to secure the answer at the earliest possible

date. The normal period should not exceed two or three days. I refer Your Honour to question No. 49, to which the usual explanation of administrative difficulty and complexity can scarcely apply. My question No. 49 is:

1. Has the president of Air Canada been appointed?

2. At what date did the position become vacant?

That question went on the order paper 25 days ago. There is a further question, No. 311, regarding the detrimental effects on the city of Moose Jaw of the removal of some large industries, and the necessity of declaring the city a designated area. I hope that with this fine spirit of co-operation of which the President of the Privy Council speaks in such grandiloquent terms we will get answers to these questions.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I appreciate the intervention of the right hon. member for Prince Albert. This will be of assistance to me in lashing my colleagues to get answers ready.

Mr. Diefenbaker: Mr. Speaker, I do not want to be a participant in action like that.

EXTERNAL AFFAIRS

NIGERIA—INQUIRY AS TO REPORT OF CANADIAN OBSERVER

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether the government has received a report from Canada's observer in Nigeria, or only from the government of Nigeria.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I have not read any report beyond that which has been published in the newspapers, but I think I may assume that the department has also received the report.

Mr. Stanfield: Mr. Speaker, would the Prime Minister table the report in the House of Commons so it will be available to all members of the house as well as to the members of the committee on external affairs and defence?

Mr. Trudeau: Mr. Speaker, not having read the report except, as I say, through the newspapers, I cannot give a clear commitment. But I do commit myself to reading it, and if there is nothing in it of a secret or confidential nature or of a nature which might impinge upon our good relations with other countries, this can be done. I would not publish it without their permission. I do not think any of these "ifs" should materialize. I undertake to report as soon as I have read it.

Mr. David Lewis (York South): Mr. Speaker, relating to the same subject, I should like to ask the Prime Minister whether he has received a cable from the Biafran head of state, sent to the president of the general assembly of the United Nations, pleading that appropriate action be taken at the United Nations to deal with what are alleged to be acts of genocide against the people of Biafra. If so, what reply has the Prime Minister made to the cable, and what action is the Canadian government proposing to take in respect of it?

Mr. Trudeau: Mr. Speaker, I have not yet seen the cable; therefore I have not replied to it. With regard to action, I repeat that the Secretary of State for External Affairs is in the process, and has been for several days now, of consulting with members of the United Nations and with the Secretary General to see whether any such action can be initiated in the United Nations.

Mr. Lewis: A supplementary question, Mr. Speaker. With Your Honour's permission I will preface it by saying that the Secretary of State for External Affairs has on numerous occasions in this house emphasized the fact that he was concerned, at the United Nations, with the question of the humanitarian aspects of the starvation of people. May I therefore ask the Prime Minister whether his answer means that the Secretary of State for External Affairs is also discussing with other members of the United Nations the particular question of the allegation or accusation of genocide as a subject matter for the agenda of the United Nations general assembly.

Mr. Trudeau: Not that particular subject, Mr. Speaker, but he is discussing any way in which we can get this whole subject in front of any audience at the United Nations.

Mr. Lewis: A further supplementary question, Mr. Speaker. May I then ask the right hon. gentleman whether he would undertake—and I am sure he would—to ascertain whether the cable has reached his office and to study it and inform the house tomorrow as to whether any action is being contemplated as a result of that cable.

Mr. Trudeau: Yes, Mr. Speaker.

Mr. R. Gordon L. Fairweather (Fundy-Royal): A supplementary question, Mr. Speaker. Is one of the questions being taken up at the United Nations by the Secretary of State for External Affairs the supplying of arms by Britain, the U.S.S.R. and France to the participants in this fratricidal war?

Mr. Trudeau: Mr. Speaker, I do not believe that is the object of direct representations. The position of this government, of course, is that we are not supplying arms to either side and we think this should be the position of other friendly powers. I am prepared to say that publicly. But I do not think we should believe our consciences will be eased by telling other people what they should do. I believe the government of the United Kingdom is under pressure from its own people to reconsider these policies, and I regard that that is the proper point of pressure to be brought to bear.

Some hon. Members: Hear, hear.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. Would the Prime Minister take the house into his confidence and tell this country how many countries members of the United Nations have been approached to join in a resolution, humanitarian in its purpose and objective, and how many have consented? What is the latest information the Prime Minister has? The Secretary of State for External Affairs told the house, as I recall it, ten days ago that a kind of poll was being held to ascertain which nations would join. It would also be of interest to know which nations would oppose such a humanitarian resolution being brought before the United Nations.

Mr. Trudeau: Mr. Speaker, I will of course ask the Secretary of State for External Affairs to report to me on this matter. I know the house would want to put the question to him directly in a few days when he comes back from the United Nations. I myself am meeting tomorrow the Secretary General of the Commonwealth, and I expect to have conversations with him to see whether we cannot perhaps get some of the African members of the Commonwealth to consider taking an initiative in this direction. However, our position has been and still is that the humanitarian aspects, which are the most important ones, must be set in the context of international law and of good relations amongst the African peoples, who are as good a judge of these matters often as are the members of this house.

Mr. Stanfield: I have a further supplementary question. Having in mind the deep concern of the country about this whole subject, would the government give consideration, I hope favourable, to allowing the television cameras in the committee room where hearings on Biafra and Nigeria are taking place?

Mr. Trudeau: I believe the jurisdiction over this matter rests with you, Mr. Speaker, rather than with the government.

[*Translation*]

PUBLIC BUILDINGS

OTTAWA—COST OF NATIONAL ARTS CENTRE

On the orders of the day:

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the right honourable Prime Minister.

Leaving Biafra to come back to Canada, everyone knows that an arts centre is now under construction in Ottawa. As the initial cost of that arts centre was to have been $15 million according to the original tenders, and as it now seems that the cost has swelled to $56 million, can the right honourable Prime Minister tell us how a contractor who tendered for $15 million can get the approval of the government and spend up to $56 million for the same work?

Mr. Speaker: Order. In my opinion, that question could be placed on the order paper. If the hon. member considers that there is some urgency, he could advise me of the subject which could be raised at the time of adjournment this evening.

Mr. Caouette: I thank you for your suggestion, Mr. Speaker. It is not as important as Biafra, but I will bring it up again at ten o'clock.

[*English*]

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Finance. Like other hon. members, I welcome him back to the house after his arduous trip, and I am sure that he is glad to get back also. My question is: Has the minister decided on the date of the budget?

Inquiries of the Ministry

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would not like to tie myself down to an exact date. I am hoping it will be either next week or the following week.

Mr. Hees: As a supplementary question may I ask whether it is the intention of the government to balance the budget?

Mr. Benson: Mr. Speaker, the government's intention with respect to the budget will be made known when the budget is delivered.

AGRICULTURE

CORN—DISCUSSIONS WITH U.S. RESPECTING DUMPING

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question which I should like to direct to the Minister of Agriculture. Since this is his day not to be here I would direct it to his parliamentary secretary if he were here but he also is not here. Perhaps I can direct it to the acting minister. When does the Minister of Agriculture intend to go to Washington to discuss with the secretary of agriculture ways and means of preventing the further dumping of U.S. corn on the Canadian market? I ask this question because of the minister's announcement last Friday that he would go to Washington and institute discussions on this subject.

Right Hon. P.-E. Trudeau (Prime Minister): He will be here on Wednesday.

Mr. G. W. Baldwin (Peace River): Will he not be here later this afternoon to introduce second reading of the Farm Credit Act bill?

Mr. Trudeau: Yes, but this is not his duty day for the question period.

Mr. Nowlan: It is not the finance minister's either.

INDIAN AFFAIRS

REPORTED REVISION OF BOOKLET ON REORGANIZATION

On the orders of the day:

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. In view of the fact that this is one of his days off this week I should like to direct it to the Prime Minister. Has the booklet on the reorganization of the Department of Indian Affairs and Northern Development been withdrawn so that a revision can be made?

[Mr. Hees.]

Mr. Speaker: Order, please. I think the question should be placed on the order paper.

Hon. Robert L. Stanfield (Leader of the Opposition): May I suggest with all due respect, Mr. Speaker, that the question of the organization of the department is one of very current interest and one of urgency.

Mr. Speaker: The rules are very clear. If the hon. member feels that this is a matter of urgency, he can give notice of debate for tonight. That is just a few hours away.

MANPOWER

REQUEST FOR RESULTS OF JOB VACANCY SURVEY

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to direct my question to the Minister of Manpower and Immigration. In view of the fact that his department has established a job vacancy survey and the present decision of the department is that the information obtained shall be restricted to immigration counsellors and departmental officers, will the minister also make this most important information available to members of the House of Commons?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I will be glad to look into this question and report to the hon. member.

REPORTED CANCELLATION OF RETRAINING COURSES IN FRENCH

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. Is it true that his department has recently cancelled a program of free retraining courses in French during work hours after some 360 candidates had been accepted and 24 employers had agreed to support the program?

Mr. Speaker: Order, please. The hon. member knows he has to ask the question directly. He cannot ask the minister to confirm or deny a statement.

Mr. Brewin: May I rephrase my question, Mr. Speaker. Has the minister cancelled this program?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): No, Mr. Speaker.

COMMUNICATIONS

CO-OPERATION WITH FRANCE IN SPACE AND SATELLITE RESEARCH

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I have a question for the Acting Secretary of State for External Affairs. Is he able to advise us as to what specific proposals were made on Friday by the Secretary of State for External Affairs to the foreign minister of France regarding special measures of co-operation in the field of space research and satellite telecommunications technology?

Mr. Speaker: Order, please. The question now asked by the hon. member is of a very general nature and the information he is seeking should in my view be given to the house by way of a statement on motions.

Mr. Macquarrie: May I ask a supplementary question. Would the acting minister ask one of the ministers to prepare a statement and present it to the house on these matters on which he has been receiving a few signals?

[*Translation*]

FINANCE

GOLD—POSSIBILITY OF INCREASE IN PRICE

On the orders of the day:

Mr. Oza Tétrault (Villeneuve): Mr. Speaker, I should like to put a question to the Minister of Finance and Receiver General.

Does the hon. minister expect any increase in the price of gold in the near future, in order to help the development of our area?

[*English*]

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker.

INDUSTRY

CAPE BRETON—STATEMENT ON REQUEST FOR DEVCO REPORT

On the orders of the day:

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): Mr. Speaker, the hon. member for Cape Breton-East Richmond asked on October 3 for the tabling by the Minister of Forestry and Rural Development of a report on the Dosco corporation. I understand he was really referring to the over-all plan for the conduct of coal mining operations by the Cape Breton Development Corporation.

This is a plan to be submitted to the Minister of Forestry and Rural Development for the consideration and approval of the governor in council. The minister received it on exactly the day required by the legislation, that is, on October 1. It was sent to the premier of Nova Scotia at the same time. It must be considered from the viewpoints of both governments. That will be done as quickly as is consistent with the care that is required on a matter so important to the people of Cape Breton. As soon as a statement of policy is possible, the Minister of Forestry and Rural Development will be happy also to table the plan as submitted by the corporation.

SPORTS

HOCKEY—INQUIRY AS TO PROPOSED TASK FORCE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to ask the right hon. Prime Minister a question arising out of a statement he made during the election campaign, that before the beginning of the next National Hockey League schedule he had in mind the setting up of a task force for the purpose of looking into the question of whether control over the lives and future of young Canadians was being exerted by the league officials, and also what further action should be taken to guard against actions by the officials of the National Hockey League which have all the appearances of being monopolistic in their effect.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the Minister of National Health and Welfare will be on duty tomorrow and I hope he will have an answer to this question at that time.

Mr. Diefenbaker: Mr. Speaker, I appreciate that school has been convened and the absence of the minister has been excused, but I am directing my question to the Prime Minister who made the undertaking. It was not the Minister of National Health and Welfare or any other absentee minister; it was the Prime Minister. I am simply asking the Prime Minister, did he or did he not set up a task force as he promised he would?

Mr. Trudeau: As the right hon. gentleman knows, both he and I talked about a lot of things during the election. The difference is that our side appears to be in power. We have formed the government. We have divided the several tasks amongst the various

ministers. I know the Minister of National Health and Welfare has this particular authority, and has done something about setting up a task force. I will have to ask him to report to the house about it. It is the position of the government that we divide responsibility among ministers as much as possible.

Mr. Diefenbaker: May I ask the Prime Minister whether the Minister of National Health and Welfare will be here when his next duty day arrives or will he be absent? Is there any possibility he may be absent?

Mr. Trudeau: Yes, Mr. Speaker.

HOUSE OF COMMONS

NANAIMO-COWICHAN-THE ISLANDS—INQUIRY AS TO BY-ELECTION

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. Has the government yet decided upon a date for the holding of a by-election in Nanaimo-Cowichan-The Islands?

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

Mr. Hees: May I ask a supplementary question. Is it the intention to put off indefinitely this test of the popularity of the government?

ABSENCE FROM HOUSE OF TRANSPORT MINISTER

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Prime Minister. Will he personally investigate the absence from the house today of the Minister of Transport, when according to the roster he is supposed to be here?

Right Hon. P.-E. Trudeau (Prime Minister): I have, Mr. Speaker, and he is off on government business. However, I should like to make the house aware of the fact that the acting minister of transport is here and he will answer any question addressed to him.

Mr. Bell: May I ask a supplementary question. Will the Prime Minister give assurance that the Minister of Transport will make up this day later in the week?

Mr. Trudeau: Mr. Speaker, I feel the opposition has missed the point. The most important thing is that questions may be asked in departmental areas. If the minister is not here, the area will be dealt with by the acting minister or by the parliamentary secretary.

Mr. Hees: They just take questions as notice and do not give answers.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Randolph Harding (Kootenay West): I should like to direct my question, Mr. Speaker, to the Minister of Justice. Have you been officially notified of the appointment of Judge Parker as chairman of the mediation commission in British Columbia?

Mr. Speaker: Order, please. I doubt that the question is in order. In any event I have to remind the hon. member that questions should be directed to the chair.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I wanted to rise to ask a question of the Minister of Energy, Mines and Resources who was here a few minutes ago, but I see he is not in his seat now. He is not supposed to be here today, so I suppose he left. Perhaps I should ask the question of someone else.

Mr. Speaker: While the hon. member ponders the problem, I will recognize the hon. member for Champlain.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a question to the Minister of Justice.

Has the minister been made aware of a Canadian rehabilitation centre project at Parent, in the northern area of Champlain district?

Mr. Speaker: Order. It seems to me that the question should be put on the order paper.

[*English*]

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a question for the Minister of Transport. Because of the reduction in train inspection and the elimination of railway car men on Canadian railways, will the minister initiate an investigation to consider the seriousness of the lack of safety measures for railway personnel and the travelling public resulting from insufficient train inspection?

PUBLIC SERVICE

SUPERANNUATED FEDERAL EMPLOYEES—REQUEST FOR INCREASED PENSIONS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, now that the Minister of Finance is back in the house, will he give attention to the promise he made that the pensions of retired civil servants will be increased?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I am very glad that the hon. member came back to his seat to show people that he was not leaving the house after the question period. I can assure him I will give attention to all promises I have made in the past. I should like to say to hon. members that my reason for being in the house today, rather than my duty days, Wednesday and Thursday, is that having been away for two weeks I could not put off meeting hon. members of the opposition immediately on my return.

FINANCE

REPORTED WARNING RESPECTING COST OF JOINT PROGRAMS

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I preface my question by saying that surely things have not come to the point where a minister has to apologize for being here.

Mr. Trudeau: I told him not to create that precedent.

Mr. Stanfield: May I ask the Prime Minister whether he has personally investigated the allegation that officials of the Ontario government earlier in the year warned the federal government that in its forecasts and estimates it was underestimating the total cost of certain joint programs?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I believe that the other day the President of the Treasury Board said he had seen this allegation in a newspaper and was investigating the truth thereof.

FISHERIES

ESTABLISHMENT BY RUSSIA OF RIGHTS OFF PACIFIC COAST

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to one of the absent ministers, the Minister of Fisheries, or somebody else—anybody else. What action is being taken by the government to ensure that the Soviet Union does not establish historic fishing rights in the waters along the Pacific coast?

Mr. Speaker: Order. The hon. member is asking a question of a very general nature. I do not think it is the type of question that should be asked at this time.

Mr. Howard: With respect, sir, it is an urgent matter and I saved the question for today because the Minister of Fisheries is supposed to be here today.

Mr. Speaker: Order, please. The Speaker is here and has given a ruling.

DOMINION-PROVINCIAL RELATIONS

PRINCE EDWARD ISLAND—REPORTED STATEMENT AS TO ECONOMIC DEVELOPMENT

On the orders of the day:

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, I have a question for the Minister of Public Works. Was the minister expressing government poicy when, according to press reports, he stated in Penticton last Friday that the strengthening of the economy of Prince Edward Island must be a choice between the causeway project and a comprehensive development program? In other words, we cannot have both?

Hon. Arthur Laing (Minister of Public Works): Well, Mr. Speaker—

Mr. Speaker: Order, please. My understanding of such questions is that normally they should be asked of the Prime Minister. According to the rules, if the hon. member is asking whether something is government policy he should direct his question to the Prime Minister.

Mr. McQuaid: May I direct the question to the Prime Minister, then, and ask him whether this represents government policy?

Right Hon. P.-E. Trudeau (Prime Minister): Would the hon. member ask the question again, please?

Mr. McQuaid: I will repeat it. Was the Minister of Public Works expressing government policy when he was reported to have said in Penticton last Friday that the strengthening of the economy of Prince Edward Island must be a choice between the causeway project and a comprehensive development program?

Mr. Trudeau: I understand that if such a report exists, which is doubtful, it is a false report, Mr. Speaker.

[*Translation*]

WINTER WORKS

QUEBEC—FEDERAL PARTICIPATION IN PROVINCIAL PROGRAM

On the orders of the day:

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister.

In view of the statement made by the hon. Minister of Municipal Affairs of the province of Quebec to the effect that the province will subsidize 50 per cent of winter works, does the right hon. Prime Minister anticipate any assistance in this regard?

Right Hon. P.-E. Trudeau (Prime Minister): Would the hon. member kindly repeat his question please?

Mr. La Salle: Since the Minister of Municipal Affairs of the province of Quebec stated his department would subsidize 50 per cent of winter works, does the right hon. Prime Minister anticipate a form of assistance different from that of last year as regards winter works to be undertaken in the province of Quebec?

Mr. Trudeau: Mr. Speaker, the winter works policy has already been announced and it has not changed. As regards unemployment in certain areas, the government will take care of that as already indicated when referring to other programs.

[*English*]

CANADIAN NATIONAL RAILWAYS

AUTHORITY FOR CONSTRUCTION OF ALBERTA BRANCH LINE

The house resumed, from Thursday, October 3, consideration of the motion of Mr. Macdonald (Rosedale, for Mr. Hellyer) for the second reading of Bill No. C-109, respecting the construction of a line of railway in the province of Alberta by Canadian National Railway Company from the vicinity of Windfall on the Windfall extension to the Sangudo subdivision of the Canadian National Railway in a westerly direction for a distance of approximately 51 miles to the Bigstone property of Pan American Petroleum Corporation and of a connecting spur extending in a northerly direction for a distance of approximately nine miles to the South Kaybob property of Hudson's Bay Oil and Gas Company Limited and its associates.

• (3:50 p.m.)

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I notice that the Minister of Transport (Mr. Hellyer) is not here so I assume that the Minister without Portfolio (Mr. Richardson) will be dealing with this bill. There has been some question whether this matter should be referred to a standing committee. I for one am not urging that this be done, but if it is not done there are a number of questions that the minister on behalf of the government must be prepared to answer before the bill is put through all stages.

From what I know of this project and from what the minister has said, it appears at first blush to be a program which will have beneficial effects for the country. It will probably add substantially to the gross national product and will result in the employment of a number of people and the production of a commodity desired in the world and for which Canada has the opportunity of establishing an export market. Nevertheless, the legislation involves the expenditure of $10 million of the taxpayers' money.

One advantage of sending a bill of this kind to a standing committee, as was done by the Conservative government in 1960 and 1961 with two major construction programs, one involving the Mattagami railway in the province of Quebec and the other the Great Slave Lake railway, is that it provides an opportunity for members of the standing committee to ask a series of questions with regard to the cost, traffic guarantees, the amount of traffic that will be generated, and whether the freight changes will be agreed rates. All of these questions are very pertinent. In authorizing this measure we are acting for the taxpayers of Canada, because this $10 million will come from the consolidated revenue fund. Therefore I will put these questions to the minister now. He may not be able to answer them specifically, but I suggest that he at least give us a guarantee that when the bill is considered by the committee of the whole house, if that is the way the house decides to proceed, the minister will have available to him his officials armed with the facts.

We want to know what will be the cost per mile of this railway. We have been told in general what traffic will be generated, but we should like to know the gross amount of the traffic and what guarantees there are. We also

want to know over what period of years this traffic will be maintained. We should like to know what guarantees there will be as to quantity and yearly shipment. We should like to know about the freight rate and compare it with the rates in other comparable operations. Will it in fact be an agreed rate?

We should also like to know whether there is any overriding guarantee as to the total minimum traffic, and over what period of years. We should like some information as to the amount of employment generated both at the plants involved and also on the railway itself. We should like to know what will be the value of the production planned and to what extent it will result in an increase in the gross national product.

In his speech at the resolution stage the minister said, as reported on page 638 of *Hansard*:

> The management of the C.N.R. has informed me that by means of traffic guarantee contracts made with the two companies whose names I have mentioned, the C.N.R. is assured that the products of these plants will be shipped over the new lines and over the other lines of the C.N.R. in such volumes that the revenue therefrom will support all the costs of the lines—

I do not doubt that, Mr. Speaker, but I think hon. members are entitled to have a look at these agreements and know what is involved in them. There have been cases in the past where railroads have indicated what in their view would be the means of raising revenue from freight to cover the cost of building a new line and subsequently they have been disappointed.

I suggest these are facts to which we are entitled. Certainly in the case of both railway projects to which I referred the standing committee made a careful and detailed study. Questions were asked of the C.N.R. officials and of the minister. When the time came that the committee was ready to make its recommendations to the house the committee was satisfied, after a full and searching inquiry, that the project was in fact one which deserved the support of the house and all the facts were before the house.

I do not doubt that this will be the case now, and I appreciate, of course, the need for haste. I understand that time is of the essence and that there is a need to get the project launched and construction started as early as possible this fall. Although the time spent in sending the matter to the standing committee and then waiting for it to come back here may seriously retard the commencement of the construction and completion of the railway, nevertheless I think we are entitled to the information to which I have referred.

Therefore I ask the minister, who I think has not spoken yet, whether he would indicate to the house in closing the debate—I hope it will not be long—that we have his assurance and guarantee that these facts will be made available during the committee stage and perhaps also the agreements in question to which I referred. I do not think there is anything secret in them. Certainly the contracts involving the construction of the Pine Point railway and the agreements between Pine Point Mines, the C.N.R. and the government were all made available and examined in some detail by the members of the committee, who were quite well satisfied. I make this request for information so that when we get into committee hon. members house will have some idea of the pertinent facts.

Mr. Schreyer: Mr. Speaker, I wonder whether the hon. member would permit a question. He said that documents relating to the construction of the Great Slave Lake railway were made available to members of a committee. To which committee was he referring?

Mr. Baldwin: Mr. Speaker, I think at that time it was called the committee on railways, canals and telegraph lines, which has since yielded place to the committee on transportation and communications.

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

Mr. Schreyer: No, Mr. Speaker.

Mr. Horner: Mr. Speaker, I think the minister should answer the questions that have been asked by the hon. member for Peace River. If he does not know the facts then we should have the No. 1 transport minister here instead of the No. 2 transport minister. Some of the clauses need explaining. One clause suggests that there should not be—

Mr. Speaker: Order. I have to remind the hon. member that the bill is now before us for second reading and it would not be in order to refer to clauses individually.

Mr. Horner: I accept your ruling, Mr. Speaker.

Mr. Richardson: Mr. Speaker, I did not want to rise to close the debate till all hon. members who wished to had spoken.

Canadian National Railways

• (4:00 p.m.)

Mr. Ed Schreyer (Selkirk): Mr. Speaker, on a point of order, I realize that if the minister speaks now he will close the debate. While we are dealing with Bill No. C-109 I feel I have the opportunity to bring to the attention of the house and the minister a matter which has been before us for quite some time now.

In Bill No. C-109 we are being asked to authorize the Canadian National Railways to expend a certain amount of money to construct a line of railway in northern Alberta. No one is objecting to this provision. Some years ago a bill similar in intent and purpose to the one now before the house was introduced and passed, and as a result the Canadian National called for tenders for the building of the Great Slave Lake railway. For the past two and a half to three years hon. members on this side and on the government side of the house have asked the Minister of Transport to look into the matter of improper tendering with respect to that railway. Allegations have been made that serious errors in the enforcement of the terms of contract were made by the Canadian National, as a result of which some contracting firms engaged in building that railway for the C.N.R. went into bankruptcy.

I realize that under the rules there are limitations on how deeply I can go into the construction of the Great Slave Lake railway by the Canadian National. To keep the matter brief and to the point, I and other hon. members of this house do not feel under any obligation at this time to vote additional sums of money under this bill for a new line to be built by the Canadian National until we receive some answers from the Minister of Transport on a matter which he says he has been studying for some time.

About March 20 last I asked the Minister of Transport whether he had received any claims accompanied by briefs from those construction firms that had been engaged in the construction of the Great Slave Lake railway. The minister said he had received claims and briefs, that they were complex and voluminous and that he needed time to study them. Several months have passed since then and in the meantime some firms have been forced into receivership and bankruptcy. Some were forced into bankruptcy before the matter was brought to the minister's attention by members of this house. Since that time I understand one or two other firms engaged in the construction have also been forced into receivership.

[Mr. Richardson.]

Lest the Acting Minister of Transport tries to say that those contractors who worked for the Canadian National ought to have exercised their rights and brought their claims before the courts, I wish to say that all possible legal avenues have been exhausted. The situation is very like the one that existed in the early 1960's when the northern Ontario pipe line was constructed. At that time five or six construction firms were placed in a precarious and untenable financial position, not through their own fault but as a result of sloppy specifications which were given for job tenders by the crown corporation involved. As a consequence a number of firms which lost heavily in the construction of the pipe line made claims for compensation. I do not care whether one considers an extra payment an *ex gratia* payment from the crown. The fact is that the contracting firms I have just referred to had no alternative but to make a special claim for payment. The matter was brought before the Treasury Board in 1961, I believe.

Mr. Speaker: Order, please. I must interrupt the hon. member for a moment. He himself had reservations about whether his remarks on the Great Slave Lake railway had any bearing on the matter now before the house. It is always difficult for the Chair to determine at what point we stray beyond the four corners of a motion, but in my view a discussion of the construction of another railway line, the Great Slave Lake line to which the hon. member has referred, is somewhat beyond the terms of this bill. The discussion on the bill need not be entirely relevant but the hon. member may wish to bring his contribution closer perhaps to the principle of the bill now under consideration.

Mr. Schreyer: Mr. Speaker, I was actually supporting the contention of the hon. member for Peace River who said that the subject matter of this bill ought to be placed before a committee so that we could look in detail at the operations of the Canadian National relative to the construction of a railway line similar to that envisaged in this bill.

During the past year Your Honour will no doubt recall that I tried repeatedly to obtain from the Minister of Transport some indication as to what he and his department were doing with respect to the outstanding claims which have been entered by contractors who, I repeat, were forced into bankruptcy as a result of the manner in which the Canadian National enforced the conditions of contract when the Great Slave Lake railway was being constructed.

That matter, I know, has no direct relevance to the substance of Bill C-109, except in one connection.

We are now being asked to vote a sum of money to the Canadian National in order to enable it to construct a railway. I suggest, and I think many hon. members agree with me, that we should not be in a hurry to do so until we are satisfied that the Canadian National is prepared to settle satisfactorily and conscionably the claims of those contractors who were forced into bankruptcy some six or seven years ago. I think there is a direct connection between what happened in the past and what we are now asked to do. Unless we obtain from the Minister of Transport some indication of action, the contractors to whom I have referred will all be forced into personal and corporate bankruptcy.

I make one final plea to the Acting Minister of Transport to communicate with his colleague and persuade him to appear before this house when we are dealing with Bill C-109 in committee of the whole so that he may explain what has been done in the past several months to deal with the urgent petitions, pleas and requests not only of the owners or heads of the contracting firms involved but of hon. members of this house. I could name names although I hesitate to do so, not having asked hon. members if they wish to have their names mentioned in connection with this matter. Many hon. members have made representations to the Minister of Transport and a Senator in the other place has also made representations in order to—and here I use a colloquialism—to clean up this mess of the past several years.

• (4:10 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to say a few words regarding Bill No. C-109 respecting, and I quote:

—the construction of a line of railway in the Province of Alberta by Canadian National Railway Company from the vicinity of Windfall on the Windfall Extension to the Sangudo Subdivision of the Canadian National Railway in a westerly direction—

This deals with the construction of a 60 mile line at an average cost of $174,000 per mile or at an estimated cost of $10,435,000 according to the schedule. I hope that the government, the Minister of Transport and the officials of the department have carefully studied the margin of profit which can be expected from a construction which is going to cost $10 or 12 millions.

The bill mentions that the Minister of Finance will have authority to advance money, to make loans available, not in excess of $12 million. In addition, the contract will be awarded by tenders. This is still no guarantee that the contract will go to the lowest bidder. The contractor's solvency will probably be considered. Should a tender be a little higher than the lowest one and should the contractor be more solvent, the government reserves the right to choose the tenderer it pleases.

Mr. Speaker, I wish to call the minister's attention to this point. At a time when the C.N.R. and the C.P.R. are forced to abandon some railway lines, as is now the case with the Ontario Northland Railway in northwestern Quebec and northeastern Ontario, has the government studied closely whether it would be economic to build a railway line in Alberta? Will it still be used in five or ten years, in view of the fact that the trucking industry could undoubtedly meet the needs of the area which will be served by the C.N.R.?

If the operation of this railway line becomes less economic year after year, I wonder whether, at a time when credit is so hard to get, at a time when it is so difficult to undertake constructions that would be useful to our people, the government would not be well-advised to consider thoroughly that matter and the situation in that area of Alberta. The fact is not that we object to the construction of a railway line, far from it. However, if the trucking industry should meet the requirements in that area of Alberta, I cannot see why the government would assume the responsibility of constructing such a line which would finally cost $10 to $12 million.

If we follow the example of the National Arts Centre in Ottawa, the construction of that railroad could well cost $35 million. We should, therefore, examine very carefully that proposal for the construction of a railroad in Alberta. We should ascertain whether that project will be profitable. Will the Canadian National make a profit by operating that railroad? If it is proved that it will, then we will not oppose it. On the other hand, if it is doubtful, in view of the fact that people turn more and more to trucking instead of railroads, then I feel that the Canadian government is not authorized to spend from $10 to $12 million for the construction of a railroad that will be abandoned within a few years.

These then, Mr. Speaker, are a few of the impressions I had on reading Bill No. C-109. I say again that we have no objection to the

construction of that railroad as long as it is profitable. But, if there is any doubt about that, then I feel the government should give the bill a six months hoist and prepare other bills likely to help the citizens of the area which Bill No. C-109 is intended to assist.

[*English*]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I have been very interested lately in the subject of government contracts and I was particularly interested in what was said by the hon. member for Selkirk (Mr. Schreyer) regarding the contracts which will be let following the passage of this legislation. The conditions and guarantees for which provision is made when such contracts are entered into are diverse in nature, as I have found from recent experience.

I should like to refer to two provisions which in my opinion the bill before us should contain. One relates to the point made by the hon. member for Selkirk. In providing a guarantee of financial assistance to the railway company the government should retain a certain amount of power to prescribe the conditions of contracts to be let under this arrangement. The situation which developed in connection with the Great Slave Lake railway could easily develop in the case of the line we are now considering. The point raised by the hon. member for Temiscamingue (Mr. Caouette) was that the present arrangement might result in expenditures much greater than those anticipated in the bill we are now considering.

The failure in the past of the government and of crown corporations to make adequate provisions for the protection of those engaged in the construction of public works is much to be regretted. The powers of the federal government are rarely sufficient to make sure that tendering procedures are effective. I might refer to a case of which you, Mr. Speaker, have intimate knowledge. In the reconstruction of the west block, for instance, there turned out to be no relationship between the original tenders and the final amount paid in connection with every aspect of the contract. This is true in respect of many government contracts, if not of most of them. Yet this bill seems to contain no means of protection against the type of possibility which is bothering the hon. member for Temiscamingue in relation to the national arts centre.

In my own area we have encountered a great deal of difficulty this year in connection with a government contract. In this case people in one province are employed as prime contractors to carry out public works in another province. I realize that the employment picture of Ontario Hydro has no relation to the present bill except in the sense that employment is affected, but it is relevant to point out that when the Quebec provincial government lets a contract it specifies that the people employed must come from that province. Not only the contractors but the workmen employed must come from that province. This affects Ontario workers. People living near the border, unable to obtain employment in connection with Quebec Hydro projects, have even found themselves denied employment in Ontario because they lack the experience which Quebec workers have gained while employed in both provinces.

I raise this point because I think it is time we took advantage of experience gained in letting contracts in northern areas where local inhabitants must be given preference in terms of employment. I believe a similar provision should be written into the bill before us because I see no other way in which this result can be achieved in the absence of general or overriding legislation on this point. I recall legislation brought in by a former minister of northern affairs in which there was a clause to the effect that the native population should be given preference in terms of employment whenever they were available and suitable. If we cannot have over-all legislation providing for this type of employment then it should be a factor in this bill. I recommend to the minister sponsoring the bill that a clause be written into it providing for a 10 per cent local employment factor, which in turn will be inserted in the tenders issued to the contractors.

• (4:20 p.m.)

We are going into a totally new development area. People living in that area have no alternative form of employment. Contractors should be made aware of the need to provide local employment, and it is our responsibility to see that this is done. It would obviate some of the problems that plagued contractors in the Great Slave Lake area with regard to local employment.

This bill takes the form of many such pieces of legislation that come before us. It does not take into account the aspirations of the federal government and of others with respect to native populations. Unless consideration is given to this matter now, difficulties

will arise. Those difficulties could be forestalled if the government inserted in the bill the two clauses I have suggested.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Faulkner in the chair.

On clause 1—*Construction and completion.*

Mr. Baldwin: Mr. Chairman, what is the position of the minister with regard to the series of questions I posed? I recognize that all of the facts may not be available at this time. If so, may I suggest we stand clause 1 if the minister is not able to answer the questions and provide us with copies of the agreements, or at least tell us the essence of the agreements. We could then proceed with the other clauses in the expectation that before the committee stage is finished he will provide us with the facts. However, if he is able to provide us with all the answers I would be happy to hear him now.

Mr. Richardson: Mr. Chairman, I would be pleased to reply to the questions that have been raised. First of all, may I say that in considering this bill it may be reassuring to hon. members for me to point out that except for necessary changes pertaining to geographical location and dollar amounts the form and provisions of the bill are in all other respects similar to legislation passed by the house from time to time authorizing the construction of C.N.R. branch lines.

The question of the traffic agreements has been raised. Such agreements have been negotiated between the C.N.R., the Pan American Petroleum Corporation and the Hudson's Bay Oil and Gas Company, and they guarantee annual shipments over the C.N.R. line of 75 per cent of all production of sulphur and liquid petroleum gas from both plants, with a minimum of 223,000 long tons of sulphur. I think it will be evident to all hon. members that the guaranteed shipment of this large tonnage of sulphur makes the branch line an attractive addition to the C.N.R. system.

I would like to elaborate further although I must in fairness point out that the competitive position of the C.N.R., both in relation to other railways and other methods of transportation, as well as the C.N.R.'s negotiating position with the companies concerned, indicate that it is not appropriate to discuss the anticipated earnings of the railway, but I have been assured by officials of the railway, as I stated earlier, that the operation of this branch line will provide a satisfactory earning for the railroad.

Mr. Baldwin: Mr. Chairman, I do not want to go back to other legislation except for purposes of comparison, but I would point out to the minister that in the Great Slave Lake railway bill reference was made to certain agreements and clause 6(b) stated there would be a guarantee to the company by Pine Point Mines Limited:

> —of such traffic volume over the railway line as will, in the opinion of the company, be sufficient to ensure recovery of the cost of operating and maintaining the railway line based on such freight rates and for such period of time as may be set out in the agreement;

In other words, a statutory obligation was placed on the government to make sure an agreement of this kind had been entered into, and it was this undertaking of the government, followed up by members of the standing committee, that provided the basis for the passage of the statute. Of course a much larger amount was involved in that case, $86 million.

I understand the position with regard to the competitive situation of the railway. Personally I am not going to intervene in this regard, but from the agreements could the minister, paraphrasing as well as he can, indicate the number of years involved and the gross and net income to the company in that period? I think a combination of that information plus the information that the minister has given might well indicate to the committee that there is an undertaking by the railway company, pursuant to these traffic agreements, to obtain from the people principally concerned net revenue that will cover the cost of construction of this rail line.

Mr. Richardson: Mr. Chairman, I believe that this statement will be satisfactory to the hon. member. The officials of the C.N.R. have confirmed that gross railway earnings generated from the operations of these two sulphur recovery plants will meet all expenses of operation and maintenance of the branch line, the cost of transporting the industry's traffic on other lines of the C.N.R. system, plus interest and amortizing of the cost of the branch line, and produce a satisfactory surplus for the railway.

• (4:30 p.m.)

Mr. Skoberg: Mr. Chairman, the acting minister suggested there were guaranteed shipments amounting to 75 per cent of the sulphur. How long is this guaranteed? He gave

the amount of the return, but is there a specified period of time?

Mr. Richardson: The period of time is 15 years.

Mr. Peters: Mr. Chairman, I should like to know whether the minister is in a position to tell us more about the conditions of this area. It is in a fairly undeveloped part of the country where there is a large though generally sparse, Indian population.

I am sure the people in this area are interested in the employment factor. When this type of proposition came up in respect of the Panarctic Oil company the former minister of northern affairs made a declaration which eventually became part of the contract between the oil company and those doing the work, and there had to be a certain amount of local employment. I see no reason that this cannot continue in this case in order that a percentage of the people employed must be people in the local area. I should like to know whether the minister has considered this and, if so, what the intention is.

Mr. Richardson: Mr. Chairman, when the hon. member was speaking during second reading I made a note of his observations regarding local employment. I will certainly pass his concern on to the officials of the C.N.R.

Mr. Peters: The minister will have to do something more than pass on those observations. The C.N.R. will have been granted a concession when this bill has been passed. We have been informed that the cost of this operation will be amortized and recovered over a period of 15 years through the sales of sulphur. We are giving this concession to the C.N.R. and in return we should have some definite commitment from the company about the advantages the area will have.

I was very pleased with the former minister of northern affairs, now the Minister of Public Works, as a result of the declaration he made. It was very positive and definite. The company was not to be assisted unless certain conditions were met. There was an increase in local employment. It is my belief there are a number of people in this area who are skilled and could be employed on this construction.

I remember an occasion when a $40 million contract was awarded in my own area and it appeared that one company from Montreal intended to bring in its own people to work in that area. That company intended to exploit our water resources and it was not even going to employ local workers. A great fuss was made, in which I was involved, and we were able to change the situation. I suggest there will be great resentment on the part of the people in the area of this line if the company does not employ local people on heavy construction of this nature.

The Canadian National is not a benevolent organization and it has never been. It has always tried to make the biggest profit possible for its owners, namely, the crown and the shareholders of the old Grand Trunk. If we write in these conditions I think there will be support for the project in the area. Surely this is an obligation we should accept. These conditions should be made in a formal way.

Mr. Richardson: Mr. Chairman, at least part of the work will be contracted out to others and will be beyond the control of the C.N.R., particularly having regard to employment. However, to the extent that this work is done by the C.N.R. the hon. member's suggestion will be borne in mind. I think it is a very good one.

Mr. Benjamin: Mr. Chairman, perhaps the acting minister could tell us whether the C.N.R. is now ready to call for tenders and when it will be ready to start construction after the awarding of contracts.

Mr. Richardson: The company would like to start construction at the earliest possible moment so as to get going before the winter season in Alberta. The company will be calling for tenders as soon as this legislation has been passed. It is anticipated that construction will take about a year.

Mr. Howard (Skeena): Mr. Chairman, I was very interested in the exchange between the hon. member for Timiskaming and the minister about the value of the suggestion made by that hon. member regarding local employment. I was pleased to hear the minister's response in that he said it was a good idea which he supported wholeheartedly and would communicate to the C.N.R. Perhaps this is not very kind to the Minister of Transport, but if this is such a good idea why did he not think of it before? That minister has been in the government for a number of years, as has the former minister of northern development who had great concern for native peoples, particularly in respect of employment. We should have some communication from the Minister of Transport who is responsible for this bill as to why this idea was not incorporated in the bill in the first

place. The acting minister apparently endorses it as a good idea, but we are concerned about the Minister of Transport who obviously has not endorsed it. Otherwise it would be in the bill.

Mr. Richardson: I hardly think it is right to say that the minister would not endorse it. Surely he would assume, as I would, that the C.N.R. and other companies who will be given the contracts will try to use all the local labour they can. This would be the natural thing for them to do.

Mr. Howard (Skeena): The history of the C.N.R. and those contractors who do work of this kind does not indicate that to be the case. It only occurs when there is a directive written into the contract. It only happens when there is an obligation on the company to do so. It then follows this course because it is required to do so, not as a result of generosity. This is something the Minister of Transport will have to account for somewhere along the line, perhaps even tomorrow.

The Chairman: Shall clause 1 carry?

Some hon. Members: Agreed.

Clause agreed to.

On clause 2—*Competitive bids or tenders.*

Mr. Skoberg: Mr. Chairman, I should like sincerely to urge the acting minister to give consideration to the fact that the company should adopt the principle of competitive bids or tenders for such work or any part thereof that it does with its own forces prior to calling for bids or tenders from outside sources. We all know there has been a great deal of contracting out by the Canadian National. All companies concerned with railway operation and construction should have an opportunity to bid in respect of the laying of this trackage and the construction of the roadbed needed for the trackage.

• (4:40 p.m.)

I think this would only be appropriate in view of the fact that the acting minister has already said that he believes the people in the area should be given preference. Under the circumstances the company should adopt the principle of giving these people the preference of employment before calling for competitive bids. I appreciate that bids may have to be called for in order to come up with a competitive proposal and price vis-à-vis what the railway's own operating people can do and what a contractor can do. This is only to get things in line so far as bookkeeping is concerned. I am certain we should adopt the idea that the employees should have first chance at this project. I ask the acting minister to look seriously at this question in order to give the railway's own forces prior consideration. This would be most advantageous to those people in the area.

Mr. Benjamin: Mr. Chairman, I suppose this matter would come under clause 2. My question concerns facilities available to railway employees while the construction is in progress. From what I have seen of railroad construction, those doing the work are continually on the move a few miles a day. In this part of the country I suspect there are very few and probably no facilities in terms of places in which to eat and sleep. I refer to accommodation and facilities for those working on the job who move with the track-laying equipment.

Undoubtedly when railway workers are doing the work the railway will supply boarding cars. Does the minister know whether there is any requirement in the tenders and subsequent contracts signed by contractors calling for a minimum standard of eating, sleeping and recreational facilities to be provided by the contractor? If this is not the case, will the minister take up this matter with Canadian National?

We run into situations where there are a large number of wildcat strikes. Some are very close to the minister's area and some are very close to the area of the hon. member for Saskatoon-Humboldt. This is quite general during the construction stage in such large operations. I think there should be some requirement in the contracts whereby contractors must provide a good standard of eating, sleeping and recreational facilities because in this part of Canada—the hon. member for Peace River could tell us better—I suspect there are absolutely no such facilities available off the scene of construction.

I hope the minister will remind Canadian National that certainly in some cases the calibre and quality of the facilities provided for their employees are most inadequate. Some of the old boarding cars that have been used for extra gangs you and I, Mr. Chairman, would not keep cattle in. If these people are to be 200, 300 or 400 miles away from any large settlement or centre, they must have decent living, eating and sleeping facilities. I hope the acting minister will pass this on to Canadian National and assure them that this matter will be watched.

Canadian National Railways

Mr. Schreyer: Mr. Chairman, I realize full well that the Acting Minister of Transport said the C.N.R. would like to get going on the construction of this line of railway in northern Alberta just as quickly as possible. Like other hon. members, I would like to see this public work completed. It would contribute greatly to the economic development of this part of the country. But it is not as simple as that. The Canadian National may be in a hurry now but it apparently is not always in a hurry when it comes to dealing with problems which come before it.

I say again to the Acting Minister of Transport that since he has become involved in this department and is helping the minister to deal with the problems in this portfolio, he should ask for the files of the C.N.R. regarding the construction of the Great Slave Lake, Pine Point railway. Some construction firms, Hatch Construction, Pete Rohl Construction, Ginter Construction, Krywa Brothers Construction, Lucas Construction and others, have been put into bankruptcy because of clause 16 of the form of contract.

This form of contract has been used by the C.N.R. in reaching agreement with construction firms which undertake to build roadbeds for them. I do not know how long clause 16 has been a normal part of the form of contract used by the C.N.R. Rumour has it that after many years and in fact decades this clause has been dropped. I wish I knew for sure. I would certainly hesitate to vote sums of money to be provided to the C.N.R., which will be used to pay contractors for the building of this new railway, if I felt there was a chance that clause 16 was still in the form of contract.

Clause 16 was in the form of contract in the case of the construction of Great Slave Lake railway. This clause was enforced in such an unconscionable way that it contributed directly to the bankruptcy of four or five road construction companies. The acting minister must, and I am sure he will, avail himself of all the briefs, printed documents and material which have accumulated in the office of the Minister of Transport. I am sure the acting minister will want to look at this material in detail to see what course of action can now be followed in order to redress the grievances of these people. There is no use talking about their right of access to the courts. In some cases justice, unfortunately, still is not obtainable without money with which to hire legal counsel, etc.

[Mr. Benjamin.]

Most of these construction companies were bonded. In one, two or three instances the bonding companies exerted such pressure on the contractors that they forced them to sign off. The harshness of it is that the contractors simply had no legal recourse but morally, in terms of what was right and ethical, I am satisfied they have an iron-clad case. I am just about sick of the Minister of Transport taking seven months to make up his mind whether he thinks they have a case.

The Chairman: Shall clause 2 carry?

Mr. Howard (Skeena): Mr. Chairman, I should like to say a few words before we proceed past clause 2. After reading the clause I think perhaps the appropriate time to deal with this matter was in the earlier discussion. However, that is immaterial.

This is the clause that refers to Canadian National, the company, adopting the principle of bids and tenders and thus negotiating better prices. The clause provides that the company does not necessarily have to accept the lowest or any bid, etc. This clause embodies the authority to enter into a contractual relationship for the carrying out of the construction work.

Regardless of whether the suggestion of my colleague, the hon. member for Timiskaming, is considered a good one by the minister and will be passed on to Canadian National, in the absence of anything written into the law that we are now considering that would make it a requirement for Canadian National to do something I think that in view of the activities of Canadian National its attitude toward contractors it may hire from to time will preclude any generosity on its part.

I have some fairly harsh thoughts about Canadian National in another context and in relationship to some other forms of activity. For a publicly owned company I do not believe it to be the least bit progressive, desirous of advancing the interests of the economy, or anything of that sort. It is, rather, a sort of ultraconservative, status quo type of corporate structure that can become pretty callous and have a great deal of disregard for the well-being of people.

Apart from that, there is a factor in our economic life I do not particularly like, which I am sure many other hon. members do not like either, that may well come into play with respect to any of the contractors the C.N. engages to do any of its work. The situation to which I refer would arise from the type of collective agreement between any one union

and the company containing the so-called closed shop principle. Incidentally, this is a principle with which I do not agree, particularly because it militates against the employment of people within the locale where the work is taking place. This is a supposition in regard to this proposed construction, but it is an actual situation in many cases.

• (4:50 p.m.)

It has been my experience in the past that the situation can arise where a union having its local headquarters in one of the major cities within a province will have a collective agreement with an employer who has a contract to perform construction work 500, 800 or 1,000 miles distant from the headquarters of the union and in some cases from the headquarters of the construction company itself. Because of the closed shop principle contained in such collective agreements under which a person wishing to be employed on the job must first be a member of the union, we find that construction crews from the cities go out into the hinterland or into rural areas to perform the construction work. People in the local area, regardless of the fact that they may be perfectly qualified tradesmen in the particular occupation that is involved, are precluded from having any opportunity to become gainfully employed on that construction project because there is a collective agreement which works against them.

As a further extension of the concept advanced by the hon. member for Timiskaming, in the initial instance this situation would apply to the people indigenous to the area, particularly to the native Indian people, but it might equally well apply to anyone else in the area. Unless we can write in the bill some requirement that Canadian National Railways, which in any event does not have a good history in this regard, must provide employment to the local people, it will not be done for a number of reasons which I have just advanced.

I have just been consulting with some of my colleagues and we find we do not have at hand what we would consider appropriate wording by way of an amendment to guarantee the opportunity of employment to people in the area where the construction will take place. However, surely the Minister of Public Works, because he was the minister of Indian affairs and northern development when a conscious effort was made to ensure in legal terms that people indigenous to an area were given employment opportunities, will find in the files of his department or the Department of Indian Affairs and Northern Development an appropriate wording which could be applied here. In this way the good point supported by the minister will become an actual fact. Perhaps consultation could take place between the Minister of Public Works and the Minister of Indian Affairs and Northern Development to see whether or not such wording exists. Since this matter has been dealt with before, surely there is appropriate wording which was used successfully in the past and which we could perhaps incorporate into this clause.

I should like to ask the minister in a informal way if he could indicate whether he would be in favour of holding this clause over until the appropriate wording is found to give the protection which we all want to give. If the wording is not immediately available, we could hold it over until tomorrow or even until later today.

Mr. Fairweather: Would the hon. member permit a question? I listened with great interest to his accusation of reaction against the C.N.R. I make no comment on this, but may I ask whether the hon. member is trying to prevent reaction in employment practices within the unions? In other words, who is being reactionary, or are we both? I commend him for his honesty in his answer.

Mr. Howard (Skeena): I am sure the hon. member need not have asked his question because he heard what I said and I was quite clear about the closed shop principle. I do not believe in it. I do not think a union should have the right to determine whether or not a person should get employment in the first instance.

Mr. Richardson: Mr. Chairman, the point has been very well made and I have accepted its validity. May I say that I will convey it to officials of the C.N.R. I really do not think it would be appropriate to bind the company with legislation on this point. I really do not believe we should entertain any alteration to the bill as drafted.

Mr. Benjamin: Mr. Chairman, could the acting minister tell us whether the C.N.R. has as yet acquired any right of way? I do not expect him to know how much right of way they have, but does it go through crown land? If it does, has it been purchased or is it leased from the crown, and what kind of a lease is it? Is it for 99 years or for 33? Does any part of this right of way pass through

Indian land or Indian reserve holdings, and what kind of arrangements were made to compensate them?

Mr. Richardson: I do not have information at the present time about the ownership of the land but I do believe a right of way has been acquired.

Mr. Benjamin: Could the acting minister also tell us whether the railway has started any construction of the roadbed, of the right of way fences or any construction with their own crews up to this time?

Mr. Richardson: No, the main work on this line awaits this legislation.

Clause agreed to.

Clauses 3 to 8 agreed to.

Schedule agreed to.

• (5:00 p.m.)

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read a third time? At the next sitting of the house?

Mr. Macdonald (Rosedale): By leave, now.

Mr. Schreyer: I just want to say, sir, that I am not prepared to give unanimous consent unless the minister can report in detail on the decisions that have been taken by the department concerning the validity of the claims in connection with the contracts involved in the construction of the Great Slave Lake railway.

Mr. Deputy Speaker: Next sitting of the house.

JUDGES ACT

AMENDMENT TO PROVIDE ADDITIONAL JUDGES FOR ONTARIO AND QUEBEC

Hon. Donald S. Macdonald (for the Minister of Justice) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Judges Act to provide salaries for three additional Ontario County Court judges and eleven additional Quebec Superior Court judges.

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

Mr. Macdonald (Rosedale): As hon. members will note, Mr. Chairman, the resolution provides for three additional Ontario County Court judges and 11 additional Quebec Superior Court judges. Perhaps I might address a few remarks to the second of the two basic proposals involved in the resolution. I point out that the necessity for the 11 additional Quebec Superior Court judges, which hon. members will at once recognize as an important addition to the judicial force of that particular province, has been the direct result of the decision by the province of Quebec to take advantage of legislation passed at the last session to amend the divorce law.

If hon. members will recall, at the time that bill was before the house it was not anticipated that Quebec would, at least in the current year, take advantage of the opportunity to assume jurisdiction over divorce. It was assumed that the province would continue to use proceedings which had been established over the years for the granting of divorce by parliament. However, late in the month of June the Quebec government made a decision to take advantage of the provisions in that divorce measure which made it possibel for that province, as well as the province of Newfoundland, to assume jurisdiction over divorce. The necessity arises, therefore, to provide for additional judges so that the courts may exercise jurisdiction in this area. This is the reason for seeking these additions to the Quebec bench at this particular time.

It is my understanding that the three additional positions for the Ontario County Court really result from the normal increase in litigious business resulting from the growth of the province.

Mr. Woolliams: Mr. Chairman, I am glad to see the Minister of Justice here because I wanted to say something very complimentary to him. First of all, I want to congratulate him on his recent appointment of Chief Justice Val Milvain of the trial division of Alberta. I feel he is the type and calibre of man, and I am sure the bar association of Alberta as well as the Canadian Bar Association will agree with me, that we need in this position in Alberta. He will add dignity to the judiciary and will do a fine job as one of the judges of the trial division. I believe, too, he will supply the necessary administrative skill to take care of the backlog that may exist in many of our courts. I should also like to say that we have had very good appointments to the bench. I can speak for the two provinces in which I have practiced, Saskatchewan and Alberta.

Mr. Orlikow: Was he a Tory?

Mr. Woolliams: Certainly there have been members of parliament appointed. I have always taken the view that experience gained

in parliament is helpful to a judge in coming to a conclusion when certain important cases come before him. On the whole, I would say that appointments to the judiciary have been very good. My friend asked if I want an appointment, but I would tell him that I am quite happy with the position I now hold.

This resolution contains two very simple propositions. As the President of the Privy Council said, on behalf of the Minister of Justice who was absent for a moment, provision is made for increasing the number of County Court judges in Ontario and adding 11 additional judges to the Quebec Superior Court. It goes without saying, and even without mentioning the additional jurisdiction in connection with divorce, that the growth of urban centres in Canada, as in other countries, has increased the work load of the courts of our various provinces. There is a backlog of cases, both civil and criminal. I do not know but perhaps the minister will tell me how many judges of the Quebec Superior Court there are now. In view of the additional jurisdiction in connection with divorce, I would say this resolution results from a recommendation by the Attorney General of Quebec.

When we are talking about the appointment of judges there is one thing I should like to mention to the Minister of Justice. This is no criticism of the present minister. I am referring to cases that come before the superior courts of the provinces in which judgments are reserved. Frequently in this country judgments are reserved for months on end. I know in my own province that at one time some cases had been reserved for two or three years during which time citizens of that province were denied a judgment. The United States system may seem harsh, but after a certain number of cases have piled up on a judge's desk for a certain length of time his salary stops until he catches up. It seems to me these people sometimes procrastinate far too long.

I think it may be well to underline the fact that amendments to the Criminal Code are coming before the house soon. There is not much change, I understand, between the former bill and the new bill in so far as the jurisdiction of the various courts in criminal matters is concerned. There is no doubt that there has been an acceleration in crime, and this was mentioned during the question period. I do not have the statistics before me, but I have a newspaper article with the heading, "Underworld Toll At 15 In Montreal". The article reads:

> The count of "underworld killings" in the Montreal area stood at 14 dead since last February after police discovered the bodies of a young couple in the trunk of a car Saturday.
>
> But by Sunday the toll appeared to have mounted to 15 with the discovery of a young man's body in a car cemetery near Huntingdon, 20 miles southeast of here.
>
> He had been shot and had apparently died of bullet wounds in the head and neck—

• (5:10 p.m.)

It seems to me that one of the things we must have is a strong police force in order to solve crimes. Then, when criminals are brought before the courts, we need an expedient administration to bring them to trial and, if they are found guilty, to hand out a proper penalty.

There are two kinds of crime, Mr. Chairman. The notion that crime can be described in a single category is erroneous. Violent crime creates a climate of fear in the streets of our growing cities. White collar crime, in economic terms, is much less visible than violent crime. The material cost of crime, such as petty theft, consumer fraud, violations of the Combines Act and embezzlement, dwarfs all crimes of violence, even in Canada. However, to control violent crime and white collar crime, we must have laws that are practical and acceptable to modern and new interpretations of life and human behaviour. One move in the right direction, of course, is to increase the capacity of the courts to handle the cases that come before them.

I might say that I read the recent article in *Maclean's* magazine, and the minister is a great reporter. I thought that in this regard he was wearing the new jacket of the Prime Minister, whether or not the reforms came from him or from the Prime Minister. However, I recommend to him that he make some real changes in the Criminal Code so as to make our courts expedient. Justice must flow so that everyone has an equal chance, those with money and those without.

Proper laws and proper law enforcement cannot be underestimated in the control of crime, but I have felt for years that we must get at the breeding grounds of crime. Crime breeds in the cesspools of injustice and poverty in the urban slums of our fast growing cities. Urban poverty makes the people who dwell there the victims, not the masters, of their environment. The bad environment becomes the hereditary legacy of the next generation. In order to launch a major assault

on crime we must make an attack on the conditions of despair and the denial of human opportunity in which crime can grow. However, crime still thrives under conditions of affluence, and it is the white collar, economic crime which is eroding the capitalistic system and promoting more controls and less freedom.

In brief then, police, courts and prisons cannot alone control crime. We must also deal with the underlying cause of crime—the immense and stubborn forces pervading our environment, measuring our character and determining the quality of our lives.

Through long range effort in a new land of bountiful resources we can conquer poverty, ignorance, disease, discrimination, family breakdown, injustice, social tension and despair. But while we must strive to uproot the causes of crime we must put our practical mind to work to amend the various sections of the Criminal Code to guarantee that the law is respected, that it is not shaped and planned so that it protects the rich and creates injustice against the poor. Crime is a national problem by our constitution, while law enforcement is a provincial and local responsibility. This parliament must direct its processes to ensuring criminal justice. It is for us to bring excellence to every aspect of the administration of criminal justice. That is why I congratulate the Minister of Justice on the calibre of men he has appointed to the bench during his short time in office.

I have dealt with reserved decisions, Mr. Chairman, and I do not quite know what is the answer. Perhaps a letter from the minister to the chief justices of the various provinces would help. We have to cure the problem created by judgments that are reserved for a long time, because this prevents the wheels of justice from turning.

I am also concerned about something I read recently. There is now a bill before the other place, no doubt promoted by the government and which will be here soon, in connection with amending the legislation that deals with the Supreme Court of Canada. We have increased the number of judges of the Superior Court trial division of one province and of the County Court of another, and since this resolution is now before the committee it might be appropriate to consider what will happen under those amendments to the jurisdiction of the Supreme Court of Canada. That bill seeks to put justice on a strictly materialistic basis whereby civil cases will not come before that court, if the bill becomes law, unless the amount involved is at least $10,000 and unless there is a question of law at stake.

First of all, let me deal with the question of law. I think the Supreme Court of Canada is overworked; there is no question of that. Perhaps the Minister of Justice or the appropriate officials of the crown would consider the possibility of enlarging the court. However, I suggest that before we cut down on the number of cases that come before that court we should be very careful in our approach.

We must remember that if we take away the right of appeal to the Supreme Court of Canada and declare that in civil matters where property or human rights are concerned no one shall come before the court unless the amount involved is at least $10,000 or there is a point of law to be decided, we are shutting the door of justice. People in Canada and also small corporations would be deprived of the right to appeal their cases to the Supreme Court of Canada, the highest court in the land.

The Minister of Justice has been a trial lawyer, like many of us in this house, and he appreciates one of the great responsibilities of a trial judge in the superior court, of whom we shall be shortly naming a number in the province of Quebec. I have often wondered about the kind of power such a judge has but I do not know how to alter this power in our field of jurisprudence. I refer to the power of a trial judge to find the facts of a case.

What do I mean by that? Let me explain it for the benefit of those who do not practise before the bar. For example, ten witnesses on one side of a case may say one thing and one witness on the other side may say another thing about what may be a very simple matter. The trial judge has the power to come to the conclusion that he believes the one witness and to discard the evidence of the ten witnesses. Once he finds this as a fact, Mr. Chairman, you are stuck with that fact in the court of appeal and in the Supreme Court of Canada. This becomes a fact in the case unless you can prove that the judge arrived at a certain set of facts on non-existent evidence. That pretty well puts the formula simply.

When you take away from the Supreme Court of Canada, in spite of the rule of jurisprudence that is a rule of common law and not statute law, the right to be able to review the facts of a case, then I submit that once more you are closing the door of justice. I fully realize that there may be a question of

mixed law and fact, and whether a trial judge has improperly found a fact based on non-existent evidence may itself be a point of law.

I am against such a step on two grounds. Over the week end Senator Roebuck said—and I agree with him—that we are really shutting the door of justice in the Supreme Court of Canada to citizens of the country if we enact a provision stipulating that cases before that court must involve $10,000 or a question of law. The average citizen of Canada will be denied the right to go before the highest court of the land, which to me is a very dangerous approach to justice.

• (5:20 p.m.)

In defence of the Supreme Court of Canada may I say that I think its judges are overworked. The judges of that court do not receive the assistance given to judges of the supreme court of the United States, who have many lawyers behind them to help them in research. In this country our judges have no such facilities and that is why they are overworked, no doubt. I say that the answer to that problem is not to cut down the number of cases that come before the Supreme Court but to enlarge the membership of that court, if it needs to be enlarged, just as we are enlarging the membership of the Superior Court of Quebec and the County Courts of Ontario.

Before the Minister of Justice seeks to diminish the jurisdiction of the Supreme Court of Canada he ought to read the speech Senator Roebuck made in the other place last week. He ought to study it well and think about it before taking away the rights of the average people of Canada. I say that even at present our system of justice falls below the level it ought to achieve in any just society. Here I adopt the words of an hon. member to my left who said there is one law for the rich and another law for the poor. That is so. The quality of justice a litigant obtains from the courts all too often is determined by the intelligence and ability of the man who represents him before the bar of justice, whether the action is of a civil or criminal nature. We must be careful before we curtail the jurisdiction of courts.

The President of the Privy Council said that one reason for increasing the number of Quebec judges was that the new divorce law entailed much more work for the courts. It seems to me from what I have learned that the rules and regulations under the new divorce legislation are so cumbersome that those who seek a remedy under the law meet with two difficulties at the present time. First, since the new procedure is so cumbersome, it has become almost too costly to litigate. I do not know what lawyers are now charging for divorce cases. I have not discussed the matter with members of my firm or with members of the Alberta bar, but I am told that under the new rules lawyers must do a great deal more work than they had to do under the old rules. Therefore citizens must pay a great deal more for a divorce than they paid under the old system.

The second problem also has to do with procedure. Here I refer to an example taken from Ontario. Perhaps the Ontario rules ought to be changed in cases where substitutional service is required. At present a spouse who has been deserted must publish a notice in a newspaper. However, in order to obtain an order to publish the notice the litigant must swear to an affidavit that his spouse will probably read the newspaper in which the notice is to be published. I ask you, Mr. Chairman, how can anyone swear to such an affidavit, especially if he has not seen his partner for four or five years or if his partner has gone to Timbuktu or somewhere else? That is making an ass of the law, as Charles Dickens would have said.

The Minister of Justice ought to see that the rules, which are far too cumbersome, are changed. The present requirement for the filing of material should also be changed. I do not think that all the material at present required is necessary. Let us streamline the procedure and make it easy for the average citizen to go to court without incurring too great an expense. That way the litigation time will be cut down and the amount of work judges must do will also be reduced.

On the other hand, I have always taken the view that the price we pay for defending the liberty of the subject can never be too great, and that is why I speak on behalf of this resolution. If the provincial governments have made their recommendation then, naturally, I think it ought to be accepted.

The Deputy Chairman: Order, please. I must advise the hon. member that his time has expired.

Some hon. Members: Go ahead.

The Deputy Chairman: Does the committee give unanimous consent?

Some hon. Members: Agreed.

Mr. Woolliams: I also think that the Department of Justice ought to look into the jurisdiction of the Exchequer Court of Canada. First of all, that court leans towards the crown. Whether one brings an action having to do with an expropriation or with any other wrong, that court is a little pro-crown. Second, even under the new rules the procedure of the court is so cumbersome that it is far too costly for the average citizen to litigate in that court.

In my hand I have a newspaper report concerning a case before the Exchequer Court. I should hate to guess how much this matter cost the litigants. The article was printed on October 3, 1968, and is headed, "No Recourse For Japanese, Lawyer Says". I see that an hon. member from British Columbia has looked up. The report reads:

> When the government confiscated properties from Japanese-Canadians during the second world war it was forever and without recourse, a federal government lawyer said yesterday.
>
> Norman Mullins—
>
> He is counsel for the Department of Justice.
>
> —was arguing the government's case in a $1,450,000 claim for compensation by Torazo Iwasaki, 89.
>
> Mr. Mullins said the arguments put forward by counsel for Mr. Iwasaki were rejected 21 years ago by a judgment of a similar claim by Eikichi Nakashima.

The article goes on to say that this property was taken from the Japanese owner during the war and that compensation of $5,000 was paid. Mr. Macleod, counsel for Iwasaki, told the Exchequer Court that Gavin C. Mauat—I am not sure how to pronounce that name—an agent of the Secretary of State, was the custodian of enemy property. Now Mauat is one of the leading members of a syndicate that stands to make $1,450,000 out of the property.

Mr. Perrault: The matter is before the courts.

Mr. Woolliams: I know, and the court will make its decision.

Mr. Perrault: It is still before the courts.

Mr. Woolliams: If my hon. friend wants to make a speech he should do so at the proper time. I do not wish to enter into an argument with a member on the front bench rump.

I should like to see the Minister of Justice examine the jurisdiction of the Exchequer Court of Canada as it relates to property rights of citizens and arrange for matters involving property rights to be taken out of the Exchequer Court and placed in the Superior Courts and Supreme Courts of the provinces. In that way litigants could afford to have their cases tried. In that way we could go a long way to remedying the old concept that there is one law for the rich and another for the poor in the Exchequer Court.

At present actions involving expropriations are far too costly for the average citizen. Recently a case involving the green belt had cost the litigant $29,000. He tried to come before the court but could not and gave up the ghost and let the matter go. I say that when we talk about appointing judges to Supreme Courts, Superior Courts, the Queen's Bench division or what have you in the various provinces, our first duty, before enlarging or diminishing any jurisdiction, ought to be to make certain there is not one law for the rich man and another law for the poor man.

• (5:30 p.m.)

There is one other point I should like to make and it has to do with the calibre of judges to be appointed. I refer to a case with which we are all familiar, the case of Whitfield *v.* Canadian Marconi Company and the decision of the Quebec Court of Appeal, later upheld by the Supreme Court of Canada, with respect to a contract into which the following clause had been written:

> Indian and Eskimo villages are considered out of bounds and personnel are prohibited from fraternizing or associating with the native population except in special circumstances. Infringement of these orders is cause for discharge.

One man fraternized with an Eskimo girl. He was fired. He sued his employer for $25,000. The Quebec court in its ruling had this to say:

> In view of my conclusion that the clause complained of is not contrary to the Canadian Bill of Rights, I do not propose to discuss whether the Canadian Bill of Rights applies either directly or indirectly to the contract of employment passed in the province of Quebec between Whitfield and Canadian Marconi Company.

The court upheld that clause as being a proper one. If ever there was a case of discrimination being applied, this was one. If a clause like that in a commercial contract can be made to stand up, it means acceptance of the very essence of discrimination. Incidentally, the decision of the Supreme Court of Canada was a brief one simply upholding the judgment of the Superior Court of Quebec; it was not a written judgment, recorded in the books.

It does seem to me that a case like this emphasizes once again the importance of appointing to our courts men with feeling, vision and a knowledge of humanity, men who understand that the law can never stagnate, can never be regarded as something which is unchangeable. Law, as it is interpreted, must be like a growing tree, growing as circumstances change and as society changes. This is the key to the kind of imagination and influence required of those who are appointed to our courts. For example, the word "banking" meant one thing in 1906, another in 1935 and something entirely different again in 1968. I give this as an example because I recall a case in Alberta which turned on the definition of banking when the Social Credit government came to power and passed some legislation in this field. As I say, the law must be like a growing tree, able to interpret language so as to fit new circumstances, new facets of society. In this way, of course, the courts legislate.

Naturally, we on this side support the resolution. It comes before parliament, I repeat, as a result of meetings and recommendations of the Attorneys General of various provinces. I thank the house for its indulgence in allowing me to take a few extra moments this afternoon to illustrate why I feel the calibre of the men who are appointed to the various courts of our country is so important to the welfare and good of our nation.

Mr. Peters: Mr. Chairman, it takes a brave man to follow the eloquence we have listened to in connection with such a small resolution. I rise to speak because the minister, when explaining the need for these additional Superior Court judges, said it resulted from legislation we had passed in this house. Commenting on this I express surprise that it would take 11 men from Quebec to replace Judge Walsh and Judge Cameron of the Federal Exchequer Court. The minister expressed surprise that Quebec should have set up its divorce courts so soon. I think this surprise is shared by everyone who took part in bringing about the change in our divorce legislation. Many held the opinion that Quebec would not even consider this question for a number of years to come. It is interesting to note that no resentment whatsoever has been expressed, at least in the English language newspapers, because the Quebec Superior Court is now seized of this matter. This leads many of us to the conclusion that if we had had the courage to take the bull by the tail we would have been surprised at the number of people who were expecting us to do so and who would have let go of the horns.

An hon. Member: Taking it by the horns would be easier.

Mr. Knowles (Winnipeg North Centre): The horns presented them with a dilemma.

Mr. Peters: I should like to say a word about the calibre of the work which was done by Judge Walsh in particular and by Judge Cameron who, I understand, handled the contested cases. Both these gentlemen will now be very pleased to go on to other duties. I think parliament owes them a debt of gratitude for the way in which they handled these cases. We all recall the reluctance on the part of the government to proceed to the stage at which a commissioner for the dissolution of marriages was appointed. But in all those divorce cases there was no comment from anyone concerned to the effect that their petitions had not been handled in the best possible manner. This experience has no doubt led to the extension of jurisdiction of the Quebec Superior Court and to the request for the appointment of these judges so that the province can handle its own business.

I know that the members of this house who were originally involved in the legislation setting up this new form of hearing are all proud of the way in which it has been handled. A former minister of justice, the late hon. Mr. Favreau, suggested that this matter could be settled in a period of five years. It seems now that he was being pessimistic, though I was inclined to share his view. I therefore congratulate the present Minister of Justice, bearing in mind that an arrangement of this kind calls for negotiation between the Attorneys General of the provinces before it can be put into effect. I also congratulate a number of former ministers of justice who had very limited time in office but who each pushed forward this matter. The result has relieved parliament of a burden which in my opinion it should never have had to carry, which was neglected for many years, and which will now be returned to the jurisdiction of the Superior Courts and the Supreme Courts of the provinces.

• (5:40 p.m.)

I know this will cost some money. I know the federal government picks up the tab, but I think the two gentlemen who have been conducting this business for some time will feel better when they receive their cheques

and they realize it took so many to replace so few in such a large office.

Mr. Fairweather: Could the minister find out how many County Court judges in Ontario now occupy dual positions such as the chairmanships of milk boards, liquor boards and other offices of that nature, and does the minister contemplate a conference, or some other way, to bring this practice to an end?

Second, what does the minister think of the ethics of retired judges returning to practice law in the courts and in some instances, I regret to say, appearing before the very courts of which they were once members? Is there any departmental policy on this most extraordinary practice?

Third, my hon. friend from Calgary North mentioned the point of reserved judgments. I think all citizens who are affected by this difficulty would hope the minister might see fit to ask each of the Attorneys General to correspond on occasion with the respective chief justices—I think that would be the way considering the constitutional problem—seeking a return on a semi-annual, or perhaps monthly basis, of judgments unrendered. This was done on other occasions with other courts and it worked rather well.

Mr. Gilbert: Mr. Chairman, this is a very short resolution asking for three more Ontario County Court judges and 11 additional Quebec Superior Court judges. I was wondering if there are only 11 defeated Liberal candidates in Quebec and three in Ontario who have still to get jobs?

I noted that the hon. member for Calgary North wandered far afield in his observations. They were quite good but I thought he would reserve them to a later date and direct himself to this resolution.

Mr. Woolliams: On a point of order, Mr. Chairman, I directed my remarks to the resolution. This is not a slight on me, it is a slight on the Chairman because if I was out of order I know the Chair would have brought me to order. If what I said, when I pointed out that there was a law for the rich and a law for the poor, offended the niceties of one who is now trying to be very verbose about nothing, then I would be very surprised.

Mr. Gilbert: I can see my hon. friend is a little sensitive today. First of all he gave us credit for stating that there is a law for the rich and a law for the poor and now he is trying to take away that credit. Be that as it may, I would like to direct a question to the Minister of Justice with regard to the general criteria that he uses in the selection of judges. He will recall that during the last parliament the former minister of justice, now the leader of the Liberal party and Prime Minister of Canada, bypassed party lines in his selection of judges. This was something new. He set a precedent and I would like to know whether the present minister is going to follow that pattern in his selection of judges.

I would also like the minister to comment on the training of judges. Men who are selected for a judgeship are often men who have not had court experience, have not had a refresher course in law and are not up to date. When we ask a man to be a judge a duty is imposed on us to train him to be a judge. Past experience has shown that men who have been selected for judgeships have had good intentions and good motives but lacked a great deal when it came to knowledge of the law and applying the law.

I would like the minister, who is among the avant-garde in the Liberal party, to tell us what his criteria are in the selection of judges, and I would like to hear his comments on the training of the men he chooses.

Mr. Turner (Ottawa-Carleton): Some very good questions have been asked, Mr. Chairman, but as I understand that the house would prefer to see the bill before proceeding with second reading I wonder whether at that stage I could provide answers to the questions raised today?

Mr. Woolliams: We are in agreement with that. In fact we are in agreement with proceeding to second reading this afternoon, if you want.

Mr. Turner (Ottawa-Carleton): I understand there is not a general disposition to do so.

Mr. Woolliams: So far as the Conservative party is concerned if the minister wants to go on with second reading we are prepared to accept that.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, we think it is a wise rule that we should see the bill before we go that far.

Mr. Turner (Ottawa-Carleton): That being the case, could I have the consent of the committee to deal with these questions when I address the house on second reading?

Some hon. Members: Agreed.

Resolution reported and concurred in.

Mr. Turner (Ottawa-Carleton) thereupon moved for leave to introduce Bill No. C-114, to amend the Judges Act.

Motion agreed to and bill read the first time.

FARM IMPROVEMENT LOANS ACT

AMENDMENTS EXTENDING PERIOD, RESPECTING INTEREST RATES, ETC.

Hon. H. A. Olson (for the Minister of Finance) moved the second reading of Bill No. C-111, to amend the Farm Improvement Loans Act.

• (5:50 p.m.)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I believe there was an understanding between the government house leader and members on this side that the debate at the second reading stage of this bill would not take place until eight o'clock. We do not mind the minister proceeding at this time, but we want this bill to be debated.

Mr. Macdonald (Rosedale): Perhaps I could respond. As I understood it, the hon member's colleague was reluctant to be called to speak before the dinner hour. I explained that with the time the minister would require to make his presentation and to hear the eloquent words of the hon. member for Crowfoot I doubted that in the remaining seven minutes they could be completed.

Mr. Knowles (Winnipeg North Centre): All I am asking is that the minister make his speech before we give second reading.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I was so anxious to have this bill passed I thought I should not interrupt the proceedings which seemed to be going so well.

I should like to refer hon. members to page 601, the right hand column starting with the second paragraph. There they will find an explanation of the purpose of this bill contained in a speech I made on that day, September 30. I do not have very much more to add by way of explanation except to say that during the course of the debate there seemed to be some misunderstanding, if I may call it that. There was a common complaint or representation made by hon. members in many parts of the house regarding the rate of interest that would be set down when this measure becomes operative.

Hon. gentlemen will realize that the funds lent to farmers for the purchase of equipment and for other purposes under the Farm Improvement Loans Act are funds that belong to the banks. We are suggesting in Bill C-111 that this be extended to include some other financial institutions such as credit unions, caisses populaires and others. However, these institutions will also be using their own funds.

An advantage of the Farm Improvement Loans Act is the guarantee of a portion of these loans which largely removes the risk of repayment to the institutions which make the loans to the farmers. Many members have suggested this is not the time to increase interest rates because the farmers' costs are very high and going up and because of the cost-price squeeze in relation to their receipts and the market value of their sales.

In this case we are not withdrawing any assistance to the farmer so far as the treasury is concerned. The simple fact of the matter is that several months ago, long before the Farm Improvement Loans Act expired on June 30 of this year, the banks stopped making loans under the act because the statutory limit was too low. They argued that in many cases the cost of these funds and the amount of interest they were paying to their depositors were higher than the statutory limit under which the government guaranteed the loans.

What has happened is that there are loans being made, perhaps not as many for farm machinery purchases as there were when the Farm Improvement Loans Act was operational and active, depending on the credit risk of an individual farmer, at rates up to 7 and some fraction, 8 or 9 per cent, and I have heard of some as high as 10 per cent. These rates can be related to the credit risk of a particular farmer.

All we hope to do is to reinstate most of the provisions and indeed extend them. We intend to extend the purposes under the act for which farmers can use these loans and to set the maximum interest rate which should be charged for loans that we will guarantee. This interest rate would be substantially below what many farmers have to pay today.

Again we have to bear in mind the fact that the banks carry on the administration of this act and it is their money. If this proposal is accepted other institutions will be included, but the same thing applies. It is their managers who administer this act and decide what applications will be accepted. I should like to remove any confusion that may have been in the minds of hon. members as to the

situation regarding the method of arriving at an appropriate maximum.

With those brief remarks arising out of the debate that took place at the resolution stage and the explanations I made at pages 601, 602 and 603 of *Hansard*, I think that is all I should say at this stage until we get into committee where we will have a detailed explanation of the bill during our clause by clause study.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I rise to say a few words about this farm improvement loans legislation and its success in the past. Perhaps I should outline some of the hopes and aspirations of the farmers I represent who are concerned with legislation of this type.

We in Canada are perhaps entering a new era of high interest rates as a result of the removal of the 6 per cent ceiling. I well remember when the ceiling was removed. At that time the then minister of finance was asked what would happen to the interest rate on farm improvement loans. It was suggested that if we allowed interest rates to go higher than 6 per cent, surely the 5 per cent maximum would no longer be of any value. The Minister of Finance agreed that we might run into difficulty but that a formula which would allow a 5 per cent rate on farm improvement loans would have to be worked out. I hope the minister in his remarks will give us some idea as to what this formula will be. Surely we do not want the interest rates that farmers will have to pay to be sky high.

We all know there is a great demand for money. We were told some years ago by witnesses that the banks tried to keep 30 per cent of available lending money for the small loans field, but there is less and less money available through banks to this field. May I call it six o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): It is my duty, pursuant to the provisions of provisional standing order 39A, to inform the house that the matters to be discussed at the time of the adjournment period are the following: the hon. member for Vancouver-Kingsway (Mrs. MacInnis), Labour Conditions; the hon. member for Halton (Mr. Whiting), Drugs; and the hon. member for Temiscamingue (Mr. Caouette), Public Works.

[Mr. Olson.]

It being six o'clock the house will now proceed to the consideration of private members' business, namely, notices of motions.

• (6:00 p.m.)

OLD AGE SECURITY ACT

SUGGESTED INCREASE OF BASIC OLD AGE PENSION TO $125 PER MONTH

Mr. Stanley Knowles (Winnipeg North Centre) moved:

That, in the opinion of this house, the government should give immediate consideration to amending the Old Age Security Act to provide for the full amount of the income supplement provided thereunder to be incorporated into the basic pension, for the amount of the basic pension to be increased to $125 per month, for the increase granted each year on account of an increase in the cost of living to reflect the full extent of that increase, and for the eligible age to be lowered immediately to 65, so that all persons in Canada 65 years of age or over who meet the residence requirements will receive a full pension of $125 per month, plus the cost of living increase, without any means test, the full amount of the old age security pension thus being recognized as a matter of right.

He said: Mr. Speaker, there are a great many matters which come before parliament in which I am interested, but this motion relates to the one which has probably had the greatest amount of my attention during the years since I first came here, now nearly 26 years ago. I am reminded that the first time I rose in this House of Commons to speak on the subject of old age pensions I very boldly and courageously urged that the pension be raised from $20 to $25 per month. I had to sit and listen to Mr. Ilsley tell me that this could not be afforded. However, that same Mr. Ilsley before very long did agree to increase that pension to $25 a month, only at that time there was a means test on it and the provinces were required to pay 25 per cent of the pension.

We have come a bit of distance since then, and I now urge that the old age security pension be raised to $125 a month. I also urge that the income test attached to a portion of it, that portion known as the guaranteed income supplement, be wiped out and that the full $125 a month be granted as a pension to all those who meet the age and residence requirements, without any means or income test of any kind. I also suggest that the formula in the legislation for providing a cost of living increase should be altered so that the increase given to our pensioners will reflect the full amount of any increase in the cost of living, not just that portion up to 2 per cent in any one year.

As hon. members are aware, I would not stop there so far as the adjusting of pensions is concerned. When one talks about increasing pensions to reflect an increase in the cost of living one is talking about a minimum requirement, namely, that our pensioners should be enabled at least to keep up with the cost of living during their years of retirement. But as I hope I have made clear times without number, I believe we have to go further than this with respect to all our pensions. I think we have to make it possible for people in their years of retirement to enjoy the increased standard of living that our economy makes possible from year to year and from decade to decade. It is not good enough for just the other sections of society, particularly those in their working years, to be in a position to get increases, to share in our increased productivity. That right must also be extended and guaranteed to our retired persons.

Let me come back to the fundamental part of this resolution, which is its request that there be an increase in the amount of the old age pension itself. The statistics that the Department of National Health and Welfare has produced—some of them are to be found by way of answers to questions of mine that have appeared on the order paper—make it clear that our older people definitely need more than the amount of pension they are now getting.

If the guaranteed income supplement, for all its faults, has done anything, it has proven this point. The statistics show that about 60 per cent of our people who receive the old age security pension have been able to qualify for all or part of the guaranteed income supplement. Sixty per cent of that 60 per cent, or a little more in fact—it is about 40 per cent of the total—have been able to qualify for the full amount of the guaranteed income supplement. These statistics illustrate in a very striking way the fact that for most of our people in their retirement years there is little else but their old age security pension. There are people with other sources of income, but those who have enough other income to live as befits life in this day and age are very few.

I say that a society which does not show greater respect and greater regard for its older people is not a just society and does not deserve some of the accolades that are given to it at the present time. I like and enjoy the emphasis on youth in this day and age. I enjoy and support the emphasis being placed on the proposition that our youth should be given opportunities in education, employment, culture, and all the things that make for a richer and fuller life. I welcome the efforts that are being made, and successfully in many areas, to involve people at younger ages in the processes of democracy, in all of the life of our society. That is good. I support it wholeheartedly. But I submit that our society must not, because of its concern for youth, forget old age. Far too many of our older people in this country are suffering privation, suffering poverty, suffering want in the midst of all the affluence that we have, because we have not provided them with a sufficient pension.

• (6:10 p.m.)

I recognize that pensions are not the only answer, that we have to do more in the field of housing, in the area of health, and in providing recreational, cultural and other opportunities, including the opportunity to be useful. But to make speeches about these other things that we must do does not take the place of doing this basic, essential thing, namely, increasing the amount of money that we make available to our people. When one looks at the total production in our country today, the money that we are able to find for other things, it just does not make sense that arguments are put up against increasing the amount of the old age pension.

Therefore I urge that this figure of $125 a month be taken very seriously. I urge that the house must not permit the government to try to slough it off, to try to tell us that enough has been done for pensioners and that we must leave the pension where it is. Our old people need the increase, they deserve it, they have the right to it, and we can afford it. If we are going to talk about a just society, these people are entitled to it as much as anyone else.

Now, Mr. Speaker, one of the main elements of this resolution is its point blank call for the abolition of the guranteed income supplement as such, for its incorporation into the basic pension, and for the discontinuance of the idea that a portion of the pension is to be paid on the basis of an income test. I need not remind this house how strenuously I argued against the income or means test, and for the acceptance of the principle of universality and for maintaining that principle in our old age pension legislation. I feel that the return of a portion of the old age pension to an income or means test was a backward step

which has done immeasurable harm, and it is a step that we must reverse at the earliest possible time. However, instead of repeating my own arguments, which are to be found on many of the pages of *Hansard*, I thought I would like to refer again today to an interesting and valuable address that was made in Winnipeg on September 19, 1968, by Dr. Reuben C. Baetz, executive director of the Canadian Welfare Council. Dr. Baetz was addressing the audit workshop of the social service audit at Winnipeg on that date.

What Dr. Baetz had to say is very telling, and I urge the government to pay attention to it. I will read parts of his address. This is what he said:

> In our income maintenance programs, especially, we tend unwittingly to disregard the concept of solidarity. In recent months universal income programs, such as flat rate allowances for the aged and family allowances, have been severely criticized. It is argued that we should develop a selective policy in our income maintenance programs, and concentrate our efforts on the poorest sector of the population.

I interrupt to suggest that that is an accurate description of the position being taken by the government today. It is a description of the popular and plausible notion that instead of paying larger pensions to everyone and letting the income tax take care of those who get too much, we should pay pensions on a selective basis. Here is a specialist in the field saying that this idea has to be looked at very closely. Dr. Baetz admits there are arguments on that side, but then he goes on to say:

> Nevertheless, a selective policy—

This is the kind that implies an income test so that the pension will be given to those who need it, not to everyone.

> —in income maintenance creates artificially, or at least emphasizes by official fiat, an inequality between two social groups, between the one that aids and the one that is aided and is dependent.

Let us pay special attention to the following:

> The social segregation which results is, in itself, an affront to the dignity of the whole section of the population.

That is what I said time and time again when the government was bringing in the guaranteed income supplement and putting back an income test—I called it a means test—on a portion of the old age pension. Some people said it is not an insult to have to fill out a form of that kind to get the pension. But here is a specialist in the field saying it after it has been in effect for a period of time. Dr. Baetz went on to say:

> For example, through our stubborn insistence—

That is the government for you.

> —at being selective in our income maintenance programs for the aged, we have in fact divided our aged population into two groups—the "haves" and the "have-nots".

Let us listen to this as it describes the tremendous forward step we took back in 1950 when we took the means test off the old age pension. This is what Dr. Baetz said:

> For quite a number of years we have provided a flat rate allowance to all regardless of need. The feeling of solidarity among the aged was maintained.

Not only was a feeling of solidarity maintained but one of pride in being retired people and being on the old age pension. It was there. Any of us who lived through the earlier years when the means test was at its worst and then lived through the period when the pension was universal can confirm that the feeling of solidarity among the aged was maintained, and not only solidarity but pride. However, let me quote Dr. Baetz again. He said:

> However, two years ago, we introduced a guaranteed income supplement for those aged who can prove their income is low enough to warrant it. One half of the aged population did prove themselves to be eligible for supplementary assistance—

Actually it is 60 per cent.

> —through massive paper work. In effect, we have split our aged into two almost evenly divided groups—the "haves" and the "have-nots". Those who need supplementary financial assistance—which is "welfare" in their minds and others—and those who are independent. We have forced thousands of our aged, who struggled all their lives to "stay off relief", to accept this status in their declining years. By increasing the flat rate allowance to $107, and adjusting the income tax rates for higher income groups among the aged, we could have provided the same financial assistance to the aged whose other income was too low, and still maintained the concept of solidarity among the aged.

I could go on quoting other interesting sections from Dr. Baetz' address, but having quoted from it last week I hope hon. members will become interested in it and will get copies of it. I will therefore content myself with just one or two more sentences from his address. He said:

> In recent months the concept of universal programs has fallen into disrepute, and selectivity seems now to be the ascendant theme.

How true that is. People are saying, "let us use the money to give it to those who need

it". This sounds plausible, and very compassionate, but Dr. Baetz says:

> I would hope that before we throw out our universal programs we should more thoroughly examine their weaknesses and strengths, one of which is the maintenance of the feeling of solidarity among all Canadians.

I come back again to the theme on which I have rung the changes so often. I have been interested in the subject of old age pensions and in old age pensioners long enough to have seen three distinct periods in its administration. First, there was the period when the first old age pension with its means test was in effect, when it was a disgrace to be on it and when people had to submit to the indignity of a vicious means test to get it. It was a period to which we do not want to go back at all. Second, there was the period from about 1951 to 1966 or so when the old age pension of various amounts, $40, $46, $55, $65 or $75 a month, was universal and everyone who was at the right age received it. At that time it became a matter of pride to be a pensioner. Now we are in a period when we have divided our old age people into two groups: Those who get the pension and have enough so that they do not get the supplement, and those whose condition is such that they have to go through the test, and their pride of being on the pension is already diminishing.

My arguments are well known, but I hope it makes some impression on this house that I am relying so heavily today on a specialist in the field, Dr. Reuben Baetz, executive director of the Canadian Welfare Council. He says very briefly what we in this corner said when this matter was under debate. We could have achieved the same purpose, we could have got the money through to the people who needed it, by making a universal payment, doing away with all this massive paper work that was unnecessary, but leaving it to the income tax to take back from those—and they are few—who do not need any surplus that it was inappropriate for them to receive.

I hope that we have not gone too far down this road of selectivity and too far away from the principle of universality. It is still in my view one of the finest moments in the history of this parliament when we took the means test off in 1950 or 1951, and I still think the way to establish not only an adequate level of income for our senior citizens but to give them pride in being part of that way of life which is old age is by giving the full old age pension as a matter of right.

• (6:20 p.m.)

I hope, Mr. Speaker, we will not be faced with the argument that because the means test supplement was enacted only a couple of years ago we must stick with it. One of the arguments then was that we should give it a trial. All right, we have given it a trial and it is not working. There is far too much paper work involved in it. About 60 per cent of the people are getting it anyway. It would be far better to pay this amount to everyone and let the income tax take care of those who get more than would otherwise be appropriate.

I urge that the various parts of my motion be considered. As I say, the allowance for the increase in the cost of living should reflect the full increase and not just 2 per cent in a year when the increase has been more than that. The eligible age might as well be brought down to 65 right away instead of going through this procedure of reducing the eligible age a bit at a time. I feel that the income test should be wiped out and the guaranteed income supplement should be incorporated into the basic amount, and that that basic amount should now be $125 per month.

I urge very strongly that in this year of 1968, when our nation's coffers are ever so much more full than they were when we set the figures now in effect, in this age of affluence, in the midst of all our talk about the just society, the least we should do for our old age pensioners is to provide them with $125 per month without any means or income test, the full pension being theirs as a matter of right.

Mr. Norman A. Cafik (Ontario): It is with pleasure, Mr. Speaker, that I take advantage of this opportunity to address myself to the house in respect of the question raised by the hon. member for Winnipeg North Centre (Mr. Knowles). I sympathize, like everyone in this house, with the problems of our senior citizens. I can say honestly that I share with the hon. member for Winnipeg North Centre his concern for these people. We would like them to have sufficient income to enable them to live with integrity, to live on a proper standard, during those later years of their lives.

The points the hon. member made in the resolution are simple. The first is that this problem deserves immediate attention. I think that is true. I think that the whole problem of social security in this country deserves immediate attention. In addition, the problem of unemployment deserves immediate attention. I could stand here for 20

minutes and sound off about all the things with which we have to deal that deserve immediate attention. It is a matter of priority. I, for one, do not feel competent to say where this particular subject should be placed in the order of priorities.

I believe it is true that there are many people—I know there are in my riding—who are older and who suffer from the problems of inflation. They have fixed incomes and have great difficulty in establishing a satisfactory standard of living. This does not mean, however, that I feel the real solution would be to give them an income of $125 a month, which is not much more than they are getting at present. The hon. member for Winnipeg North Centre seemed to think that we should do away with the guaranteed income supplement and incorporate it into the old age security pension. This statement is a surprise to me because I would have thought the members of the New Democratic party would have welcomed some approach toward achieving a guaranteed income. I would have thought the principle of the guaranteed income supplement would have been more important than the other principle. However, it seems they want to do away with the income supplement itself. Perhaps in the guaranteed income we would find a solution to the whole social problem.

We have a mass of social welfare programs. I believe they cost this government well over $1 billion a year. Perhaps the real solution is to marry all these social programs into a master program. Perhaps it could take the form of a guaranteed income supplement so that we could look after the needs of all the people of this country who really try to look after themselves but, because of the position in which they find themselves, are not capable of doing so. The proposal to increase the income to $125 a month and to tie it to the increase in the cost of living is not really much different from what we have now. Mind you, the difference is important to those people in that age category. At the present moment, and I believe I am correct, the payment per month to these people is over $107. I admit this is less than $125, but with the escalator clause and the way things are going we will soon achieve that level.

Another point the hon. member made was that we should lower the eligible age to 65. At the moment the eligible age is 67. In 1969 it will drop to 66 and in 1970 it will drop to 65. I do not see, therefore, that there is that much difference at the moment. So far as the means test is concerned, to which the hon. member referred, I would agree with him it should be eliminated if it were a means test. I do not think it is. It is one thing to say we are going to give a benefit to those who have an income of less than a certain figure, but it is something else again to make people sell their homes and find out how much money they have in the bank before they can qualify for a pension. I may be wrong, but I believe the only qualification is that people cannot earn more than a certain amount. I believe the government will supplement incomes to enable people to earn up to $1,260 each year. This is quite a different thing from a means test. I, for one, do not really think it is embarrassing. I think the whole problem of social security, or part of it at least, is to make sure we help those who are genuinely in need. I think everyone would agree with that.

I believe we must find an approach to this problem and to all social security problems that will eliminate to some extent aid which is given to those who do not need it. We should have a master program so that we can eliminate many of the abuses that exist in our social assistance and welfare programs. While this may not be apropos to the question of old age pensions and old age security, I think it is important that whatever welfare programs we implement we recognize that we must never create an atmosphere in which people believe the world owes them a living, that there is no point in saving or that there is no point in trying to provide for yourself because the government will look after you. We want to look after those who are in need. I feel we have a distinct obligation to pay great respect and show great concern for the interests of our elderly people. I, for one, will take no back seat in that connection to anyone in this house. I believe all of us share that concern.

I believe there is a need here. I know that many people within the existing programs need help. I will do anything I can to support any measure to help them. I know that I need more information on the subject before I can make a basic decision. I suggest that this problem should be considered by a parliamentary committee, and considered most carefully. In this way we would make sure that whatever we decide will be in the best interests of both our country and our senior citizens.

• (6:30 p.m.)

Hon. J. W. Monteith (Perth): Mr. Speaker, I should like to say a few words on this notice of motion that has been moved by the hon. member for Winnipeg North Centre (Mr. Knowles). It is really in four parts, the first of which suggests that the house should give immediate consideration to amending the Old Age Security Act to provide for the full amount of the income supplement provided thereunder to be incorporated into the basic pension.

I am convinced, Mr. Speaker, that the present guaranteed income supplement has had the effect that I said it would have when it first came into being, and that is to cause an awful lot of hardship and headache to many recipients. I made the prediction, Mr. Speaker, that if we went back to a means test—which is really what it is—many elderly people, not because of any ill intent or that sort of thing, but purely inadvertently, would report their income wrongly. I am sure the huge majority of our elderly citizens were convinced that they had reported their incomes correctly; but correct or not, I know of literally dozens of instances in my constituency—and I am sure this number is multiplied 264 times across Canada—who applied for additional assistance under the guaranteed income supplement, made an error in their application, and subsequently had their cheques reduced because the government felt obliged to recover the overpayment.

As I said, Mr. Speaker, this has caused tremendous hardship to many people. I have seen many cases where not only the guaranteed income supplement which had been paid in error was cut off, but where the basic pension cheque during this year, 1968, was cut below $76.50 which, due to the increase in the cost of living, about which I shall say a word or two presently, is now the basic amount of the pension. I predicted that going back to a means test would not mean that everything would run smoothly. I claimed, as did others, that hardship would be caused to many people.

As minister of the Department of National Health and Welfare for almost six years, I had experience in the fact that, under the old age assistance scheme people between 65 and 70 could claim assistance after meeting a means test. They would then find out subsequently that they had made an error in reporting their income—again inadvertently. However, according to the law the government had to claim a portion of their old age security cheque after they became eligible for old age security at 70 years of age. I have known cases, Mr. Speaker, where people in receipt of old age security and the guaranteed income supplement have had for several months to suffer a cut to less than $76.50 a month, and this has caused untold hardship.

Another thing that bothers me is this. The hon. member for Winnipeg North Centre quoted Dr. Reuben Baetz and referred to the affront to dignity that is faced by people who have applied for the guaranteed income supplement. I feel that this affront is wrong, Mr. Speaker.

I should like to remind the house of the report of a committee made in 1950. This was a joint committee of the House of Commons and Senate and was composed of members from all parties of this house. Although I did not enter the house until two or three years after that report, if I am not mistaken the committee's report was unanimous. This was the first time there had been a unanimous report of a joint committee of this house and the other place, Mr. Speaker. This committee had studied the problem for months and months, and had finally arrived at a plan to give people a basic old age pension without a means test, which it felt was the correct thing to do. I feel that it is still the right decision to make today. It is all very well to say that we want to help those who need it most; I agree with that. But at the same time, Mr. Speaker, people are suffering today as a result of the present system of paying the guaranteed income supplement.

I do not propose to speak further, except to point out that undoubtedly a new bureaucracy is growing up to look after this sort of thing. We suggested that this would happen as well under the Canada Pension Plan. As the hon. member for Winnipeg North Centre pointed out, 60 per cent of our old age security recipients also receive the guaranteeed income supplement, and 40 per cent are receiving the maximum of $30 a month. I just point out that this government is putting the recipients of either the old age security payment, or the old age security payment and the guaranteed income supplement further and further in a hole every year.

These two programs, Mr. Speaker, are geared to the increase in the cost of living to a maximum of 2 per cent. We all know what has happened to the cost of living during the last two or three years. As a consequence, Mr. Speaker, it does not matter whether or not the recipient of old age security receives

some other income on the side: his net return suffers. It is the same old story, Mr. Speaker; it is the elderly people of this country who suffer, and I am heartily in favour of seeing some relief given to them.

• (6:40 p.m.)

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to take a few minutes to speak on this resolution, and to congratulate the hon. member for Winnipeg North Centre (Mr. Knowles) for having brought the question before the house, as I think it is very important.

First, I think that this notice of motion contains four main ideas, one of which is to increase the present pensions about which, Mr. Speaker, I will say only a few words. I think that, in view of the present cost of living, pensions could easily be increased, especially when an old person lives alone. When two people live together, even with the present pension, they can manage up to a certain point, because they have some common expenses, for example rent or housing, electricity and certain other related expenses.

However, an old person living alone finds it difficult to live adequately on the pension he now gets. I therefore feel that the house should study the possibility of increasing that pension to enable those who get only that pension to live more comfortably, more adequately and to feel less closely watched, especially by government inspectors whom some of them call hunting dogs.

At this stage, Mr. Speaker, I come precisely to that part of the speech by the hon. member for Winnipeg North Centre where he asked that the guaranteed income supplement be granted without any means test. I fully agree with the hon. member for Winnipeg North Centre on that point, as well as some of my colleagues in the Ralliement Créditiste and other hon. members I will not mention and who spoke at length on that matter.

When this amendment to the Old Age Security Act came before the house, we had anticipated the difficulties which the income test would mean for the aged people claiming the $30 supplement who would have to give an account of their income.

Mr. Speaker, last Saturday—hardly two days ago—an old lady on the verge of bursting into tears came to my office, saying that the Department of National Health and Welfare was demanding the return of an overpayment out of the $76.50 pension now being paid to her. What happened in her case? Since her husband's death, that lady had had federal, provincial and even municipal officials looking through all her papers and her bank accounts to see whether she had some income hidden somewhere. Fed up with having strangers know more about her personal affairs than she did herself, she had refused to reveal to the government what little capital she had in reserve precisely to meet possible difficulties. On those grounds, legal claim was made to the amount which it seems she had been paid and to which she was not entitled, and that without knowing exactly what her financial situation was.

This is one of the many cases of which the members are aware, I believe, concerning the old people who feel persecuted through those investigations. I therefore fully agree that the system of checking should be abolished as soon as possible, and I doubt that sending the resolution to a committee for study would improve the situation, because more protracted debates would keep the government from acting, thus delaying the setting up of a just society.

So, I feel that the government should take it upon itself to make the necessary amendments now, during the current session, to improve the act and grant immediately, and without tests, all old persons 65 years of age—as a spokesman of the government said a while ago, without waiting for the present provisions of the act to take effect—a $109 pension from the beginning of next January; or to increase the pension to $125 as proposed by the mover. Indeed, the government need not refer this resolution to a house committee; it can do so on its own.

Mr. Gaston Isabelle (Hull): Mr. Speaker, at this point, I merely wish to add a few words which, I trust, my colleagues can easily remember.

First of all, I congratulate my good friend for Winnipeg North Centre (Mr. Knowles) for having proved, once again, as always, that he is an inveterate defender of those classes of society which certainly need help.

I should also like to congratulate those who have spoken in this regard, for I feel that this is more than a question of dollars. Although we, in this corner of the house, at times feel that we need field glasses to see your elegance in the chair, Mr. Speaker, nonetheless we are members of this house and we want to express our opinions as much as possible. I trust that note will be taken of this. I say this is not merely a question of dollars, and I feel

that if we grant everyone $125 this year, next year it will be $135, $140 or $150.

In my opinion, the most disadvantaged segment of our population is that which is over 65. Why? Because it is a problem which those who are 30, 40 or 50 have never thought about and have never tried to solve. The answer is simple. Today, under our present economic system, people retire at 65. Some like to be called pensioners and others do not. Anyway, whether they like it or not, they are pensioners. These people find it difficult to make ends meet and often die soon after they retire. I think that we should give greater consideration to the problem of ageing.

My hon. friend mentioned earlier Professor Baetz. I might suggest that he read an article written by Dr. Bortz entitled *Our Ageing Population*. That, I think, is the whole problem: gerontology.

As an example, there is no amount appropriated for gerontology in the estimates of the National Research Council of Canada. In 1960, people over 65 years made up 8.6 per cent of the population of Canada and 10 years from now the proportion will be 10 to 12 per cent. What are we going to do with the aged? Shall we give them $140, $150? In my view, it is not only a question of rehabilitating them but an economic question as well.

Medicine is making constant progress, whether we like it or not. The estimated span of life nowadays is 72 years. Within 10 years, perhaps it will reach 76 or 77 years. People will enjoy a green old age and perfect health. Old people will be in a certain way useless to society. I believe we are making a mistake. That is the reason why I said a moment ago that this is the problem of the people who are 30, 40 and 50, and they are the ones who should endeavour to set up a scheme of occupational therapy. This is called ergotherapy in medical terms. It is a kind of therapy which makes it possible for those people to enjoy the economic advantages available instead of suffering the disadvantages which seem to be their lot.

• (6:50 p.m.)

If we remove these people from the labour market at the age of 65, if their number increases in 10 or 12 years, as I said earlier, our productivity will certainly decrease. Now, if our productivity decreases, another group of people will have to work more to balance it out. These people raise problems in the field of housing, for instance.

Earlier I heard my very good friend talk about an old lady who came to his office. He is very lucky to have seen only one; I have seen them by the hundreds. Every day for instance, I see people who need drugs. They do not have the means to obtain them and even if they received $125 or $150 a month, they would be poorer than if they could be covered by a drug insurance. If these people could be assisted in other fields, besides money, it would be a lot better in my opinion.

We were talking a while ago of statistics; I have here figures that are quite surprising. In the United States, for instance, it is said that the population will show an increase of 20 per cent in the next decade, while the number of workers will increase only by 6 per cent. Twenty years from now, if those figures are correct, and as they can be ascertained in the book entitled *America Next Twenty Years*, the population will increase by 40 per cent, but the increase in the number of workers will be only 10 per cent. This means that a worker will not only be self-supporting but able to provide for one person and a half, with all that is coming as concerns labour reform, etc.—

[*English*]

They will have to support themselves and three and a half other persons. In other words, to maintain today's standard of living tomorrow's worker will have to more than double his activity.

[*Translation*]

Then people having reached the age of 65 can perform certain functions, that is true. According to statistics, five out of eight persons over 65 can accomplish a great deal of work, and interesting work too. And this will not penalize those less than 65 years old, because after all, it is a penalty. It is a penalty because as people over 65 cannot work, people less than 65 have to pay a tax. In the mean time, this deprives the taxation department of some revenues that could be obtained by levying a tax on people over 65 who earn something.

This means, therefore, that we are living in a rapidly changing society, in a society that seems to seek itself. In short we live in a sick society and it is up to us to legislate, not in a unilateral sense, but in a sense that could bring something practical to this society which is changing too rapidly, I would say.

It is up to us to give funds, to induce researchers, especially in geriatrics, to find solutions to the serious problem of ageing. Nowadays, university people are trying to

find vaccines, everything is being done to extend the limits of life. But once a person is 65 years old, we abandon him. He is alone in life. I think those people are the most destitute, the most unfortunate. They still feel able to do something and we are not enabling them to do anything that would permit them to become more or less an asset to society. I think that we still need experienced people today, people who have been through economic hardships like the older members of this house knew in 1933. I feel that it rests with the Canadian people to wake up and to be sensitized to that important problem; it is a problem of the survival for a nation.

Do we realize that, with the pill, one day we will have to cope with the fall in the birth-rate? We speak about genocide in Biafra and many other things. The real genocide is committed by the white man and will eventually experience the consequences. We do not have to worry about it, Mr. Speaker. When we are still dashingly young we do not think about tomorrow or illness, we do not think that one day we will be 65 years of age and that we will be retired from the Canadian economic life.

Now, I would like this matter to be taken into serious consideration and every effort made so that the people will understand that the real problem is not that of a $125 pension.

I greatly admire those who have served the country, whether it be in the public service or in the armed forces, in the defence of our rights on foreign battlefields during the last three wars. I have great confidence in these people, and if it were possible for me to do so, I would give them everything, because they deserve it. I think the fact of giving something is only a poultice on a wound; it is not a treatment.

I believe that today we should not work out compromise policies but rather planning policies that would at last bring about a sound economic system that would likely benefit the young people who are 65 years of age, because at that age, we can still be young, Mr. Speaker.

There are some people who are still active at 80. As a matter of fact, Professor Dudley White, the great American cardiologist, celebrated his 80th birthday last year. I think we need people who have lived that long, because their lives have been interesting. They knew how to use their heads and their hands to do something and eliminate the fatal boredom of those who no longer feel useful past the age of 65. All soldiers, young and old, are needed by society, particularly experienced people such as those and people who only ask for an opportunity to do something useful for a society that appears to be very sick.

I would like to add that if that policy is not rejuvenated and does not attempt to make gerontology an active science, as is done today in the United States where millions of dollars are spent on research in the fields of geriatrics, gerontology or the study of senility, we shall find no solution to our problems. Even if we were to create all kinds of machinery to make fine finished products, if nobody can use them our manufacturing activity will be useless.

It is all very well to read books, it is all very well to write poetry at 65 or after. We prefer to read poetry in our free time in order to spend our valuable time in being useful to people, to Canada, more especially to our youth—

Mr. Deputy Speaker: Order. The hour appointed for the consideration of private members' business has now expired. I do now leave the chair until eight o'clock.

At seven o'clock the house took recess.

AFTER RECESS

[*English*]

The house resumed at 8 p.m.

STANDING COMMITTEES

Hon. Donald S. Macdonald (President of Privy Council): Mr. Speaker, I wonder if the house would agree to revert to motions so that I could move the motion to constitute the committee on external affairs and national defence.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

EXTERNAL AFFAIRS AND NATIONAL DEFENCE —LIST OF PERSONNEL

Mr. Macdonald (Rosedale): Mr. Speaker, the special committee appointed on September 12, 1968, has the honour to present the following as its first report:

Your committee recommends that the standing committee on external affairs and national defence be composed of the following members: Mr. Alexander, Mr. Anderson, Mr. Asselin, Mr. Brewin, Mr. Buchanan, Mr. Cafik, Mr. de Bané, Mr. Fairweather, Mr. Forrestall, Mr. Gibson, Mr. Groos, Mr. Harkness, Mr. Laniel, Mr. Laprise, Mr. Legault, Mr. Lewis, Mr. MacLean, Mr. Macquarrie, Mr.

Marceau, Mr. McIntosh, Mr. Ouellet, Mr. Penner, Mr. Prud'homme, Mr. Roberts, Mr. Ryan, Mr. Smith (Northumberland-Miramichi), Mr. Stewart (Cochrane), Mr. Thompson, Mr. Wahn, Mr. Winch.

I move that the report be concurred in.

Motion agreed to.

FARM IMPROVEMENT LOANS ACT

AMENDMENTS EXTENDING PERIOD, RESPECTING INTEREST RATES, ETC.

The house resumed consideration of the motion of Mr. Olson (for Mr. Benson) for the second reading of Bill No. C-111, to amend the Farm Improvement Loans Act.

Mr. Jack Horner (Crowfoot): Mr. Speaker, just before the private members hour I was saying it is a well known fact that the Farm Improvement Loans Act is administered by the banks. Some time ago the banks informed the finance committee of this house that they aimed to lend out about 30 per cent of their money in what are generally conceived to be small loans. I am really more than a bit disappointed that the Minister of Finance (Mr. Benson), who is now back in Canada, has not taken a greater interest in this debate because the manner in which banks operate and their service to Canadians come under his jurisdiction. I recognize that if the minister had incorporated a fixed interest rate in this bill the banks might not lend any money at all under its terms. I ask how far the banks are prepared to go to serve the Canadian people and the various segments of Canadian industry? A number of years ago when the whole question of banking was being thoroughly studied by the finance committee we were informed that western Canada is a bank depository surplus area, and that it provides a depository surplus from which banks can lend money.

At the resolution stage of this bill the Minister of Agriculture (Mr. Olson) stated that the banks became hesitant to lend money at 5 per cent under this legislation, even before the act ran out on June 30 of last year. We are not in any way saying that they have to lend all their money at 5 per cent. I would not suggest that they should not make a profit on lending money, but I do say that in giving a bank a charter we stipulate that it has to provide a service to the community. This is a licence which banks should dearly cherish. They should be prepared to help out various segments of the economy if help is required, and especially so under the terms of this legislation, which provide a government guarantee.

I have taken a rough look at this bill, and after doing so I wonder what the Minister of Finance has in mind. Is he trying to assist small banking companies? Is he trying to assist trust companies and loan companies? When he was speaking on the hustings the Prime Minister (Mr. Trudeau) said his government would set up a separate policy for small farmers, giving them more aid than is available to farmers who are already on economic units. But this bill suggests that the government is giving aid to small banks and near banks, the latter being a term that was applied to such companies some years ago. This bill is an attempt to benefit the near banks and bring them under the government guarantee, something they had not enjoyed previously. There is really no heart shown for the agriculture industry in this legislation.

The minister said that the act came into being in 1945, and I am the first to agree with him that it has served a great purpose since that time. From July to September of last year something like $55 million was lent by the banks under the terms of the Farm Improvement Loans Act. There was a government guarantee at that time. I would like to know how much money the banks lent for farm machinery in the same period this year, without a guarantee?

I know the banks are telling the Minister of Finance that this government guarantee is not necessary any more, that the agricultural industry is a reliable one, and that this guarantee is not really worth a 1 per cent interest rate. They are telling the minister that they have to charge farmers a high rate of interest. If that be the case, then why are machinery sales during the first seven months of this year down 30 per cent in Saskatchewan, 26 per cent in Alberta and 22.8 per cent in Manitoba? That is a drastic reduction. It is interesting to link that with the fact that the farm improvement loans legislation was not in effect for a three or four month period.

Mr. Olson: That is part of the reason.

Mr. Horner: If the minister admits that that is part of the reason, then he admits that the government guarantee is worth something.

Mr. Olson: Right.

Mr. Horner: This is what we have been trying to enunciate quite clearly. I have asked the minister a number of times what the formula will be, and how much it is worth. As recorded at page 602 of *Hansard* he said it was worth something but he did not know

how much, and he was not prepared to give us a set formula.

The agricultural industry is a basic one in Canada. The Economic Council has said that it it sadly lagging behind the agricultural industry in the United States, but I do not believe it is that far behind. It says, further, that it will take us 20 years to catch up with the United States, and points out that the U.S. agriculture industry has had greater access to and made greater use of capital than Canadian farmers.

I note that the Minister of Finance has returned to the house. I urge the Minister of Agriculture, who knows the situation very well, to use his best offices with the Minister of Finance to fix a formula so that in effect we will not be asked to give the government a pig in a poke, with carte blanche to fix the interest rate as high as it likes. We know what the government has done to house builders and to people who want homes. It has set the interest rate for mortgages at 2 per cent above the rate for long term borrowings by the government. We think this is too high for the agriculture industry, which serves a very necessary purpose in the Canadian economy.

• (8:10 p.m.)

Let us check the budget speeches of the last two ministers of finance. They indicate that the balance of payments situation in Canada has been assisted to a great extent by increases in exports of Canadian wheat. Let us hear what the Minister of Agriculture intends to do about bankers setting the interest rates.

During the last election campaign the Prime Minister (Mr. Trudeau) said that the agricultural industry today is in difficulty because of rising costs of operation. The cost of the necessary capital is one of the major factors. The Economic Council of Canada has suggested that the use of more capital by the agriculture industry is one method of assisting the Canadian industry to catch up with its counterpart in the United States. I hope the minister keeps this in mind when he deals with the bankers. I hope he will also bear in mind that the government controls banking in this country. Not long ago when the Mercantile Bank was to be taken over by the First National Bank in New York the government would not allow that to happen. We know the government controls banks in this country because they are the ones who issue bank charters. These banks have to be told that the agriculture industry is necessary to the general economy of Canada and that it is an obligation on the part of the banks to service that industry by providing capital at a reasonable interest rate.

I realize that the bankers will say they pay 6 per cent on invested money, and that they cannot possibly lend money at 6 per cent. Only a few years ago they were making loans at 5 per cent, yet the statutory limit was 6 per cent. That is one per cent off the statutory limit.

Does the Minister of Finance (Mr. Benson) intend to inform this house during second reading what formula will be devised so that the interest rate will be 1 per cent below the prime lending rate? If he assures us that he will do so, I will have no objection and I do not think many others will object. But we have had no such assurance.

The Minister of Agriculture has said that he believes the government guarantee is worth something, but the Minister of Finance has not indicated what he believes is the value of the charter to these banks. He has told us that these banks are serving various segments of the economy.

In 1945 banks were lending money at 6 per cent without difficulty. The government provided a guarantee and instructed the banks to lend at 5 per cent. The Economic Council report shows that the banks provided huge amounts of money at that percentage rate. I believe it was something of the order of $2 billion. Surely if they have been able to lend that amount of money at 1 per cent less than the prime borrowing rate they can continue to do so now.

We have removed the ceiling on bank interest rates and have allowed them to fluctuate. Will this money be made available to the agricultural industry at 1 per cent less than the prime borrowing rate? If the minister does not like that idea, would he please inform the house what formula he intends to work out?

For the last 20 years the government has felt that the agricultural industry required an interest rate of 1 per cent less than the statutory limit; but that industry today is in even worse difficulty and requires more assistance. The sales of farm machinery are down quite drastically. There is conclusive evidence that the industry needs assistance as badly as it did in 1945 or 1955.

The minister may well suggest that the banks will not lend money if we do not

increase the interest rate. That is the crux of the difficulty. Surely the minister can assure us that he take action to force them to make this capital available. The government has given these institutions the right to lend money, and, as the hon. member for Medicine Hat (Mr. Olson) said when he was sitting to my left on the Social Credit benches, this right gives the banks the opportunity to make money. I am sure he remembers that old formula, though he may have pushed it out of his mind.

These banks should be asked to provide service in order to assist this basic industry in Canada. As the minister has said, this measure will allow other institutions such as the Caisses Populaires and, I suppose, the treasury branches in Alberta and the credit unions throughout the country to make loans. I should like to ask him to indicate what percentage of total farm improvement loans will be made by these so-called near banks. I suggest that percentage will not be very high. I have no objection to this idea and I think the minister has shown some initiative in this regard, but he knows full well that the percentage of these loans made by near banks will be very small. He is nodding his head. I am sure we agree that the majority of the loans under farm improvement legislation will be made by the chartered banks.

What authority has the government to force these banks to serve this basic industry in this country? The minister has said that the guarantee is of some value. I agree, but I urge him to consider this whole matter very seriously. Over the years the agricultural industry has played a major part in boosting the economy of this nation. Many people are employed by farm machinery producers, and much of this equipment is shipped to western Canada. This means a great deal to the economy when machine sales are high. For the past few years there has been an average of about $200 million spent on farm machinery in western Canada alone. This is big business.

We are prepared to allow speedy passage of this legislation but we want to be assured that there will be safeguards. The minister cannot ask us to give him carte blanche authority in setting interest rates. We must look after this industry. We already have many people in the cities today who are untrained and unskilled and we do not want another group of people from the farms moving to the urban areas. We must do something to keep these people on the farms. This can only be done by providing the required money at a reasonable interest rate.

What has the Minister of Finance said to the bankers in this country about these interest rates? While this bill has not yet been passed, the minister must have had conversations with bankers. There has been a suggestion made that this legislation was ready last February. If it was ready then, the minister has surely had the opportunity to discuss it with bank managers. Will he not inform the house about these conversations? Can he give us an indication of how these people intend to deal with this legislation?

• (8:20 p.m.)

Surely the Minister of Finance can get up in this debate before we start a clause by clause study of the bill and tell us the thinking of the banks. Surely he has talked to the chartered banks on this matter and knows what they will have to have in order to lend money to the agricultural industry. We have it from the Minister of Agriculture that the government guarantee is worth something. Surely the Minister of Finance can tell us what the banks think the government guarantee is worth. I think it is his duty as Minister of Finance, piloting this bill through, to tell us what the banks think the government guarantee is worth and what he thinks the charters of the banks are worth, because after all he is the man who is handling the finances of this country.

It cannot be overemphasized that this piece of legislation has been very successful, particularly in the past 23 years. Over $2 billion has been lent to farmers, and the loss has been as low as one-tenth of one per cent. Surely the Minister of Finance owes it to the house to tell us what procedure he is going to use. Has he discussed the matter with the banks? What is their attitude about this piece of legislation? We cannot let it flounder and die because the banks are allowed to set too high an interest rate. The banks must be concerned about other matters.

I am sure the government would agree with the inspector general of banks, who about two years ago said to the finance committee that there is no real guide that can be used, but it has been the rule of thumb that 30 per cent of the money is put out in the way of small loans to small businessmen and farmers alike. Surely that is still the policy; but I would like to hear it from the Minister of Finance so that I may be reassured that this useful piece of legislation will continue to be of service to the agricultural industry.

There has been a great deal of concern across the country, particularly this year, because every time you have a difficult harvest year there is a rush on buying farm machinery. The Minister of Agriculture knows this. If there is a difficult harvest year the farmers say, "We have to get the crop off the land. We have to buy a new combine, and time is short." Machinery sales increase in proportion to the difficulty of the harvest. This has been a difficult harvest year. We need to be told in a hurry what the interest rates will be and whether this legislation will prove useful this fall and in the years ahead.

There is another problem with which I would like the Minister of Finance to deal. I refer to a practice that has sprung up in the last year or so. The machinery companies say to a farmer, "We will sell you a combine interest free. If you buy it this fall you will not have to pay any interest on it until next spring." The banks have been reluctant to do this. They say to the farmer, "Why did you not come to us in the fall?" The farmer says, "I have it interest free now, so why should I take out a loan for it?" Surely the Minister of Finance has had some discussion with the banks in this regard. The fact is that the banks have simply been reluctant to make use of the legislation because of the uncertainty with regard to the interest rate.

I will summarize my remarks briefly, Mr. Speaker. We want to know how good the guarantee is. I know that the Minister of Finance thinks it is good. How good do the banks think it is? How good does the Minister of Finance think the charter is to the banks? What percentage of loans does the Minister of Agriculture think will be made by the so-called near banks who are included in this legislation? We have the right to know some of the details of the program before we get into a clause by clause study of the bill.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I recall that the other day when we were discussing this legislation in resolution form it was suggested that there was an urgency here; that it was important that this legislation go through quickly because the farmers were waiting and needed the credit that would be available under the legislation. They needed this credit program working again, because for all practical purposes it has not been working for almost a year.

This piece of legislation is the one that is supposed to be most urgent. If this is so, I really do not quite comprehend why such extensive changes are being made to the act at this time. I would have thought that if it was considered urgent—and I would have to agree that it is—it would have been advisable to take the act as it was, put it before this house, and then take a later opportunity to put some of the suggested changes before a standing committee so they could be carefully considered.

I believe that at least one or two fairly important departures have been made in this bill. One is the inclusion of land as an added security or as an added purpose for which money can be lent. This will be the first time land has been included in the act, which as the previous speaker said came into force in 1944 or 1945. The manner in which this provision and the proposals with respect to it are included is, it seems to me, a departure from what has come to be, shall I say the established approach to farm credit in this country. Indeed this does not apply to Canada only but to the United States, our neighbour to the south, and Europe. In effect, comparatively speaking this is short term credit for the purpose of buying land, or perhaps more properly I should say it is intermediate term credit.

In the immediate post second world war period our farmers were starved of credit. They were short of credit; they could not get it because the banks and the standard lending institutions would not make it available at that time, for understandable reasons, one being that they had taken a pretty good shellacking in the 1930's. I can recall the farm organizations, the farm unions and the Canadian Federation of Agriculture saying that a credit program was needed for farmers.

One of the principles put forward by these organizations and the economists was that long term credit was needed for the purchase of land because short term credit is a risky method of putting up money for such a purchase. All the economists that I know seemed to agree with this principle. So the program was started with a 20 year term for repaying the loan. That term was increased to 25 years, then 30 years, and in the last two or three years economists have been talking about perpetual mortgages on farms.

The idea has been that money would be lent and there would be no real intention of repaying it; that it would simply be a charge against the productivity of the land and transferred from one generation to another. I do not know that I agree with this idea, but it is a trend in the thinking.

• (8:30 p.m.)

One of the economists at the University of Manitoba gave a talk on this subject a year ago. Now, under this legislation, we are regressing when we say we will go back to the granting of intermediate credit on land. We expect that the purchaser will pay this off in 15 years, which is contrary to our previous policy. Now we know that under the present circumstances farmers are not able to build up their own capital. I think it was Mr. John Dawson, who was with the Economic Council of Canada, who said that there was only a short period in the late 1940s and early 1950s during which farmers were able to make enough income from their farms to build up sufficient capital to replace their machinery and to expand and develop their farms, taking advantage of the new technology. The same report from the Economic Council of Canada stated that from time to time we had been depending on credit, and according to most predictions we will continue to do so with the greater use of the new technology.

However, the legislation before us proposes quite the opposite and, in fact, goes against this trend. It may be that some new wisdom has descended on the Department of Agriculture, which has come to the conclusion that this trend is no longer the right one and that we had better consider a new way. This seems to be the sort of approach which is now acceptable, to start a new trend. Perhaps the legislation before us reflects the new trend. For example, within our credit programs we have developed a new approach whereby credit supervisors in the Farm Credit Corporation are able to say to a farmer, "if you want this loan of several thousand dollars, we will sit down with you and see how you can use this money, and how it can be tailored to your operation". Under the farm improvement loan proposals in this bill we will leave it to an insurance company, a trust company or to a bank, whoever may be making the loan, to decide to whom to grant the loan, wherever they think the security is sound, and that we will then underwrite it. If it turns out badly we will pick up the pieces. I do not consider this to be a really new advance.

It was only a year or two ago that in the maritimes the Farm Credit Corporation decided not to collect payments for a year. I suppose this was helpful to the farmers there and I hope that since then their situation has improved. What will happen if the same situation should arise again in other parts of the country, such as in western Canada this year with the slow grain sales and damaged and wet crops? We may well have to take that sort of action again. So I say that this legislation does not provide an answer to the problems with which we may be faced.

The matter of the interest rate was already discussed here by the previous speaker. I am not sure that I can add a great deal, except to state the obvious, namely that we know that there is a limited earning capacity in farming and the only thing that we can do to help is to keep down the interest rate. Such are the circumstances now that farmers are being hemmed in on all sides. With respect to grain, we are limited by the GATT agreement, and the international situation is tough on farmers.

A few days ago we had here in Ottawa the group of corn growers who have requested us to block purchases from the United States. This is a pretty difficult problem. We have trade relations with our neighbour to the south, the ramifications of which have to be considered seriously. However, in the credit field we can take whatever action we consider to be appropriate in the circumstances under which we are operating. This also applies to housing. I suppose that the government believes that higher interest rates and short term loans for land is the appropriate action at the present time. Apparently this is considered appropriate because it is proposed to us. The government proposes to put trust companies, insurance companies and banks back in the lending field, with government guarantees, although these institutions have had considerable difficulties in this respect. This is not necessarily a reflection on the institutions but rather a reflection on the facts of life. When loans are being made to farmers the situation is different from when they are made for the purpose of apartment building, or when they are made to other sectors of industry which are more secure.

These are the points I wished to make with regard to the bill before us. I hope they will receive serious consideration when the bill is dealt with clause by clause.

Mr. Stanley Korchinski (Mackenzie): Mr. Speaker, I do not intend to speak at any length at this stage of our consideration of the bill. However, I wish to make a few remarks, because of some fears which I have with regard to this legislation.

After considering the various amendments which will be introduced, one of the paramount questions which occurs to me has to do

with the rate of interest to be charged. This is the crux of the matter, the purpose of the bill.

Although other supporting amendments may be generally acceptable for various reasons, I think the main question which comes to us as members of the opposition is what criteria the minister will use in determining the interest rates, and on what basis the farmers will have to decide from day to day whether it would be in their interest to hold off borrowing money or whether it would be in the interest of the machine dealers to try to stall a sale for a month or so, thereby giving the farmers the best advantage.

• (8:40 p.m.)

We are very concerned over the fact that at this late stage the minister cannot tell us of the results of his discussions with the banking institutions, even though the bill has now been introduced in the house. I do not know how much discussion has taken place to date, but I do know if the minister does not have any answers now then he should be concerned. Perhaps if these bills are passed the banking fraternity will tell us that they can only give us an interest rate comparable with that which they grant house builders. As the hon. member for Crowfoot (Mr. Horner) has said, such an interest rate would not be in our interests. I am very much concerned because I really thought that when this government took on the job of administering the country, they would be following the pattern advocated during the election campaign.

I happened to obtain a statement which was made by the Prime Minister in Winnipeg on June 2, concerning small farm policy. I believe that the interest rate which is set will certainly have an effect on the small farmer. I am concerned because I thought the Liberal party advocated a specific policy for the small farmer. I quote from this statement:

> While the situation varies from commodity to commodity, in general 30 per cent of Canada's farmers produce 70 per cent of our agricultural production. This great variation in farm size, and with it productivity, renders the development of agricultural programs appropriate to varying farm sizes most difficult. The problem could be met through the institution of a system of farm differentiation by productivity and size. This differentiation could provide a basis for modifying programs to meet the particular needs of farms of different sizes. The concept is that farmers themselves could reach the decision as to their own classification for this purpose. All farm programs could then be designed taking into consideration the special needs of the smaller farmers and the social aspect of such programs could be recognized and measured. Programs for all other farms could be those consistent with a larger scale viable operation. In return for the differential level of assistance the smaller farmer could undertake that at the time the farm passed from his possession he would not dispose of it for other than farm consolidation or for movement into the public sector. Thus the special programs designed for farmers in this category would not perpetuate the problem.

The farm improvement loan provision would be extended and integrated with the Farm Credit Corporation. So far as I can see, the only integration is going to be a higher rate of interest. The other day when I took part in the debate I suggested that the government was deliberately trying to eliminate the small farmer. The minister challenged my statement, and as recorded at page 771 of *Hansard*, he said:

> I say to him with all sincerity that the government is deliberately trying to help the small farmer by passing this legislation.

However, even the Winnipeg *Free Press* of June 4 had to make this statement in its editorial:

> —the long run results would be the elimination of small, uneconomic units and the large subsidies paid to them.

I repeat that the increasing of interest rates is a deliberate policy on the part of this government. This will mean that the small farmer will just have to go. I am concerned about the method the minister will use to determine the rate of interest. I wonder what will happen every time the Bank of Canada adjusts the rate. Are we then to expect a change in the rate for farm improvement loans? Will an order in council immediately be passed? Will this be one of the responsibilities that the cabinet will have, to follow suit immediately? If there is an election in the offing, will it be in the interests of the governing party to amend the rate of interest in order to obtain some advantage? It may be in the interests of certain segments of the economy to have a tight money policy, but that might not be in the interests of the agricultural sector.

Since the minister is a farmer he knows, for example, that even though government financial policy may dictate a tightening up of the amount of credit available, in the springtime the farmer must have fertilizer. The minister knows full well that there are other expenses in the spring in connection with seeding which farmers cannot avoid. Either the farmer puts in a crop or he does not. Will this policy apply all across the board? What will happen if we have a situation such as we have this year, one wherein, when harvest time arrives, we have not taken off the crop? We still have to carry on. Will that high

interest rate prevent us from going to the bank? What are we to expect? Can the minister give us some idea? Can he tie his formula to anything so that we will not be guessing from day to day?

I have already mentioned some of the other amendments that will be introduced. It is interesting to note that one section of the bill will provide for the reduction in the amount of the guarantee. The purpose of this provision may be to induce some of the lending institutions to grant money, but the banks may find themselves in a position where a great deal of money has been lent, so they will restrict tending operations. They may withhold money from the farming community. The farmers may find themselves in a position where instructions have come from the head office in the banking institutions to hold back on loans to farmers, despite the government guarantee. Will the government guarantee mean anything?

Before this debate ends, I hope the minister will give us some idea of what we may expect. Surely we should not be dependent on the whim of the minister, or the need for adjustment of interest rate prior to an election, in order to make it clear that the government is acting in the interests of the farmer. When we are putting in a crop, we cannot have a suggestion that we should wait a couple of weeks. I do not think this would be in the interests of an industry that is so dependent upon weather and other seasonal factors. At this particular stage I think the minister would be helpful if he could give us an indication of his thinking on this subject. If he has not done any thinking, he could at least give us some indication of the stage the discussions have reached with the banking institutions.

Mr. Ed. Schreyer (Selkirk): These are bleak times on the Canadian prairies, Mr. Speaker. In addition to mother nature not being very accommodating this fall, we have a government that is not very accommodating. The minister knows full well that with the rising costs of production the last thing the Canadian farmer needs is something which adds to the cost of production. I feel we are being asked to do that very thing by agreeing to a proposition that will mean an increase in the cost of capital to the farmers.

• (8:50 p.m.)

The minister is the sort of man who understands the industry. I ask him, is he not asking the opposition for too much when he asks them to endorse a blank cheque by giving to the cabinet the power to set interest rates, when we are given no indication of the level at which they might be set? I understand that the old interest limit under farm improvement loans is untenable, given present rates of interest in the money market. At the same time, Mr. Speaker, I add my voice to that of the hon. member for Crowfoot (Mr. Horner) and my colleague from Saskatoon-Biggar (Mr. Gleave) in submitting that the minister really must give us some idea about the general nature of the formula that the cabinet will follow when it meets to prescribe the interest rate referred to in this bill. The hon. member for Crowfoot has a very logical point when he argues that the value of the government's guarantee to the chartered banks, and to the other money lending institutions for that matter, must be something definite and concrete. It is a question of how much.

Perhaps it is difficult to arrive at the value of this guarantee to the banks in precise percentage terms. But, Mr. Speaker, this is what the officials of the Department of Finance are for. I am sure that they know how to operate a slide rule, and to meet and consult with financial experts. They must be in a position to give us some pretty tangible idea how much lower the interest rate chargeable under this act will be because of the fact that a guarantee is extended by the government of Canada.

The other day, when the minister was responding to the different arguments that had been put forward by members during the debate on the resolution stage he attempted to answer some of them. I am not suggesting that he did not answer some of them with a good deal of logic, but he really did not come to grips with some of the arguments. One in particular has to do with the fact that the farmers of Canada have to compete with agricultural producers in other parts of the world particularly with those who operate in climates much the same as ours.

In the United States I understand—the minister did not indicate otherwise and I am sure his officials gave him information on this point—that the interest rate charged to farmers under the federal farm loan administration, which is the credit granting agency for farmers in the United States, is still at 5 per cent. If this be so, Mr. Speaker, what effect will it have on Canadian farmers if we proceed to increase interest rates charged them by one, one and a half or two percentage points?

From a brief conversation I had with the hon. member for Crowfoot, I think it might be reasonable at the present time to think in terms of an interest rate set at somewhere around 6 or 6½ per cent, and perhaps we on this side should force the issue by proposing an amendment. Personally Mr. Speaker, I would be inclined to support an amendment which laid down a formula by which the cabinet would have to abide when it sets an interest rate under this legislation. It seems to me that the interest rate under the act should be limited to that level that meets the cost to the banks, of obtaining money, plus just enough to cover the cost of administration and provide a margin of profit.

One hears it argued that we cannot expect the banks to charge a rate that would be lower than that which the banks have to pay depositors who deposit their money under certificates of deposit. It is a fact, Mr. Speaker, that because of action taken by this government two years ago interest rates have escalated. I understand that banks now have to pay depositors on certificates of deposit somewhere around 6 per cent. It was as high as 6¾ per cent a few months ago; but now, Mr. Speaker, there has been a slight downward movement in the cost of money and certificates of deposit are costing the bank only about 6¼ per cent. That is about how much the banks should be allowed to charge the farmers under a farm improvement loan, particularly since they have an iron clad guarantee from the people of Canada through the instrument of the government of Canada. I do not see why the minister cannot tell the house what formula the government has in mind. Would it be roughly at that level of interest that the banks have to pay on certificates of deposit, plus a small fraction beyond that? If the minister were to concur in that, then I would say it would be reasonable enough.

The issue before us, Mr. Speaker, is weighty and important. Much could be said about it, and much has already been said by hon. members on this side. The minister is under some obligation to give us just a little more information before he has a right to expect us to agree to his proposition.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I should like to add my voice in the debate by making a few comments in our discussion of Bill No. C-111 to amend the Farm Improvement Loans Act. It is now almost a year since the benefit of the farm improvement loan legislation has gone awry and farmers across Canada have been labouring with the problem of trying to get adequate farm credit. As was pointed out earlier this evening, the Economic Council, in analysing the economic situation of the agricultural industry of this country, has indicated in no uncertain terms that one problem that is facing the industry is the lack of proper and reasonable credit.

As has been mentioned before, Mr. Speaker, and should be emphasized again, the agricultural industry is the second largest source of income for Canada. The wood, pulp and paper industry is, I think, the major source of income for Canada; but agricultural products take second place. I think hon. gentlemen opposite, Mr. Speaker, have realized a number of times since they took office in 1963 that it is only because of the ingenuity, the perseverance, the tenacity, the technological advance and good economic judgment of the farming industry that we have been able to bail ourselves out of a serious position, so far as the balance of trade problem is concerned.

In 1968, Mr. Speaker, we find the agricultural industry in a very serious financial position, not only because of the effect of inclement weather, frost and so on on this year's crop, but because of the lapse of the world international wheat agreement, which has caused the greatest pile-up of wheat in Canada's history.

Today our farmers owe many bills. They are staggering under the increase in overheads and the cost-price squeeze. It looks as if by design the government is trying to aggravate the situation by bringing in this bill. We are almost in the position of having to buy a pig in a poke.

I do not think this is fair to the agricultural industry, Mr. Speaker. It should have the same consideration as any other. I am greatly discouraged by some of the arguments advanced. I am sure hon. members on this side of the house from western agricultural areas, as well as those who sit opposite, representing agricultural areas, are distressed to hear it asked why the farmers should get a subsidy, why they should not fend for themselves the same as others.

I should like to remind you, Mr. Speaker, and through you the members of the house, that the farming industry is in a very unique position compared with other sectors of the economy. The farmers of this country have no basic control over their economic prospects. On the other hand, if labourers in Canada are dissatisfied with their income, then under the law they can go on strike and demand higher wages in order to obtain their share of the

economy. Industry and business are the same. When I, in common with other small businessmen, find myself facing economic problems brought on by rising costs, I raise my prices in order to obtain a fair mark-up and to stay in business. It is the same with the wholesalers, and it is the same in practically every industry across this country. But the farmers are in a unique position. They must rely on mother nature. The farmer cannot go out in the spring and say, "I will leave my tractor in the shed and let it rust, because the cows will calf, the chickens will lay eggs and the pigs will farrow." The farmer is at the mercy of the market and depends, for his livelihood, on what he will be paid in a market over which he has no control.

• (9:00 p.m.)

I disagree with those who argue that the agricultural industry is not entitled to any subsidy. It is one of the basic and most important industries in the country, and consideration ought to be given to providing it with some subsidy. It is important not only to Canadian consumers in this country, but to consumers throughout the world. We all depend upon it. Anyone reading statistics and learning of the very rapid expansion of world population will realize that the agricultural industry has an important part to play in our very survival. I think therefore that we should establish a reasonable rate of interest for farmers to pay so that, so to speak, they are not buying a pig in a poke. The farmer ought to be entitled to a reasonable rate of interest. There are some who say that in the case of the agricultural industry the subsidy ought to be, possibly, 1 per cent, in order to help farmers meet their commitments and stay on top of the economic heap.

I join with other hon. members on this side of the house in urging the Minister of Agriculture to bring forward a formula of some kind so that the farmers of this country will know for certain what they must pay for their money, and will receive assurance that the rate is within reason.

The banks and other lending institutions of this country have been doing very well financially; they seem to have no financial problems, particularly since this government took the lid off the bank interest rate one year ago. We see how our financial institutions are thriving. We are proud of them; they are among the best there are. Nevertheless we, as members of this house, must seek to help the agricultural industry in its problems. Our agriculture is of the best, and we must see that it has a fair chance to survive. I again urge the Minister of Agriculture to give serious thought to writing into this bill some type of formula that will enable those engaged in farming to be assured of a fair chance of survival.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, Bill No. C-111 is, naturally, a continuation of the resolutions we were considering the other day, when I mentioned the importance of the agricultural sector in our Canadian economy. I also maintained, among other things, that agriculture is the very basis of the economic structure of Canada. I am still of that opinion. It is one which we express everywhere in Canada and particularly in the east, without, however, discriminating on that account against other parts of the country.

For example, in order to help the western farmers, we accepted and supported legislation likely to help them, and we believe that hon. members from the west will likewise support us in our demands in the eastern part of the country, that is, a uniform agricultural policy for both eastern and western Canada.

In the past, we have noted that there were economic disparities. Now, we also have agricultural disparities. Western farmers are treated better than eastern farmers. Having to deal with many kinds of products, eastern farmers were unable to sell their products or get subsidies, when such subsidies were granted, for example, for wheat production and even for non-production of wheat.

There was a time, Mr. Speaker, when the government paid the western farmers so much per acre for not producing wheat. A few days ago, I received letters from Canadians in western Canada informing me that the wheat crop was left to rot this year, because the crop insurance was more beneficial to the western farmer than the subsidies paid by the government. This means that wheat will rot under the snow this winter, since crop insurance is more profitable than government subsidies. Now, while production is being destroyed this way, the honourable Minister of Agriculture (Mr. Olson) is introducing bills allowing farmers to get deeper into debt, to enlarge their farm by enabling them to borrow $25,000 instead of $15,000.

Mr. Speaker, I will repeat what I was saying the other day: The present minister of Agriculture possesses agricultural efficiency and knowledge that are probably greater than those of any other Minister of Agriculture

parliament has ever known. Only, that same Minister of Agriculture was once an active member of the Canadian Social Credit and, at that time, he violently denounced similar bills, sometimes accusing the Conservative government, sometimes the Liberal government, of wanting to crush or stifle the Canadian farmer. Today, firmly seated in the front benches, he has entirely forgotten what he said and repeated for so many years in the house.

• (9:10 p.m.)

Mr. Speaker, it is inconceivable, even incomprehensible, that a man should suddenly change his political allegiance and propose to us today what he fought yesterday, worship today what he fought yesterday.

Mr. Speaker, we are now studying bills Nos. C-110, C-111 and C-112. Those three bills, instead of helping the farmers, place them in a difficult position. A farmer will feel quite free because he will be able to borrow $25,000 to buy machinery and more land to increase the acreage he is farming at the present time. However, when the time comes to pay back capital and interests, he will find himself in a situation even more difficult than at present. The Minister of Agriculture should anticipate that. Anyhow, he knows that when the time comes for repayment, it is painful. We noticed that not only in the field of agriculture but also in every field of economic activity in Canada. Everything goes well when a loan is granted. When the time comes for repayment plus the interests, some suffer headaches. Farmers have been in that state of stagnation for many years.

In 1946, when I came to this house—22 years ago—farmers were facing exactly the same problem as today.

It was difficult for the farmer to sell his production and he could hardly borrow, either under national or provincial farm loans. At least, I know that there was a farm credit board in the province of Quebec. Now, it is a Farm Credit Corporation that governs us at this time. The government undertakes to guarantee the loans and borrowings of farmers up to $25,000, but it does not have the courage to tell them: You will not have to pay an interest rate higher than the one that has been set. Farmers are left an open prey to all the exploiters that will want to lend them money, in order that they may purchase farm lands. As a matter of fact, these lands will cost in 15 years twice as much as their original purchase price. Even if the interest rate were increased to 8, 9 or 10 per cent, the Minister of Agriculture could at the same time include in this Bill No. C-111, a subsection in which it would be stipulated that the government undertakes to pay a subsidy equal to 2, 3 or 4 per cent, so that the farmers would be assured of paying nothing more than 2 or 3 per cent interest. Then the minister would help the farmers. For the time being, with that bill the minister is convinced that he is not helping the farmer and that the finance companies will benefit from this bill. Even if one believes, at a given time, that the farmer will benefit therefrom, in the long run, it will be the financiers, those who will lend money to the farmer, who will draw the greatest advantages and, as in the past, the farmers will have to face the same problems.

As I said before, the problem does not boil down to having the farmer produce. He could produce five times more than he does now if he could only be sure of selling his production at prices which would allow him to make profits. The minister knew that when he received the delegation of the Canadian corn producers. The other day, he was told on parliament hill that these people were operating at a loss. Even though they would treble their land, their loss would only be trebled.

In the field of the dairy industry, the same problem is the same. In the field of wheat production, it is the same thing.

We are now selling our wheat to the Russians at a price lower than the costs incurred for its production in western Canada. The Minister of Agriculture (Mr. Olson) is aware of that. Even if western farmers were allowed to borrow $25,000 to triple the area of their farm in order to produce more wheat, if we are going to sell it at a loss, what advantage will farmers draw therefrom? Will it be profitable? We have absolutely no assurance. Such bills will not improve the standing of agriculture or assure the economic stability of farmers. Those means should not be used.

If the minister brought in a bill, for example, providing for the construction of cold storage plants throughout Canada, that would not only enable us to meet the needs of the Canadian people by storing commodities but it would also enable us to help the emergent countries of the world. Then, the farmer would be sure to sell his products at a profit and the hon. Minister of Agriculture would have saved agriculture and Canadian farmers.

What we need is action and we should stop beating around the bush. Let us not introduce

any more legislation which looks for difficulties where there are none, but instead let us try to bring a solution to the problems. As I said, a farmer who borrows $10,000, $15,000, $20,000 or $25,000 may feel that he is getting substantial help, but 10 years from now, Mr. Speaker, if we are still in this house, the farmers will experience far more serious problems than they have to face now. So, I say frankly that these bills are not meant to assist the farmer; on the contrary, they tend to mortgage his farm a little more and to enslave him, and this is the fault of the present government and the one we had before.

Mr. Speaker, the farmers deserve attention from the minister, from the government and from parliament, and although we do not all come from agricultural constituencies, it is nonetheless true that agriculture is the basis of the whole national economy. As a matter of fact, L. B. Johnson, who is now president, said not so long ago, that returning to the land could be the solution to the depression now looming up in the United States.

It is the same with us. Thirty years ago, we witnessed a back-to-the-farm movement. It was said that leaving the cities to settle on farms would solve the problem of poverty amidst affluence. We practised colonization on a very large scale, and, at that time, in the northwestern part of Quebec, in the Quebec and the Lac-Saint-Jean area, in the Saguenay and even in northern Alberta and Saskatchewan, most of the parishes were founded. It was back to the land. Well, today, with the problems which crop up in the cities, I am convinced that instead of saying: Let us cut down the number of farms, the minister will have to say, as in the past: The back-to-the-farm movement might be the ideal solution to the depression in order to face the misery which is anticipated in the cities this coming winter, not within 10 years but this winter, because we will have to face an increasing number of unemployed, not because people do not have the opportunity to purchase commodities, but simply because they cannot afford them. At the present time, the farmers cannot afford to buy land or incur expenses to increase their production because they have no assurance that they will sell their surplus production, they are not even sure of selling this year's production.

• (9:20 p.m.)

Mr. Speaker, the Créditistes have but one solution: foresee the day when we decide to finance production through consumption—not through finance companies—but through the Canadian consumer, who needs food, clothing, lodging. When production is determined by the consumer, financed by the consumer, we will have done away with the blood suckers of the Canadian economy those finance companies which crush, on the one hand, the producers by mortgaging their production and, on the other hand, the consumers by mortgaging their purchasing. That is the system in which we live, and the system we fight. That is the system the present Minister of Agriculture (Mr. Olson) helped us fight for years in parliament. But, today, now that he has responsibilities, not only towards his riding or the farmers of his riding, but towards the whole of Canada, the time has come for him to tell the government to act according to the needs of Canadians, of the farmers of our country who are willing to supply what the Canadian consumer needs.

[*English*]

Mr. Gordon Ritchie (Dauphin): The weakness of this legislation lies in the fact that the determining of the interest rate by the governor in council leaves ground for wide latitude of action and a good deal of uncertainty. My information leads me to believe that the banks would not lend money at the present time unless there was a spread of between one half of one per cent and 1 per cent above the prime interest rate. That is near 7 per cent at the present time. For near banks and similar institutions I should think a rate of 9 per cent would be in the neighbourhood at which they would be interested. Interest rates at 9 per cent are in fact available at the present time, with some takers.

In the rural areas of western Canada there appears to be an accumulation of savings resulting in a net outflow of money from rural areas into city lending hands. I am sure this trend is a useful one and that as a nation we should encourage these savings. There is room for argument, however, that as a consequence of this the banks should be required to lend a certain percentage of the money to farmers to enable them to carry on their business. It is important that the formula by which the governor in council is to set the interest rate should be elucidated. I feel that until details of this formula are forthcoming the present bill makes little sense and may be of little value. I would urge the Minister of Agriculture (Mr. Olson) to bring forward this formula at the earliest opportunity so as to make this debate a useful and constructive procedure.

Mr. J. P. Nowlan (Annapolis Valley): I intend to be as brief as was my hon. friend in my comments on the bill at this stage. The minister obviously knows by now that the main point of contention here is the projected interest rate, the suggested interest rate or the unknown interest rate which faces the opposition at the present time.

There is no necessity to belabour the point in connection with the need for improved farm credit facilities. We all know that for all practical purposes no money has been lent under this legislation for some time, with the interest rate at only 5 per cent. What we had hoped for was a realistic interest rate, or a realistic formula for defining one. The minister in the resolution speaks about orders in council which may be made to prescribe maximum levels. This still leaves an area of uncertainty which causes a good deal of concern to many of us on this side of the house. As my hon. friend from Crowfoot (Mr. Horner) said, the guarantee must be worth something.

This act was established over 23 years ago in 1945 and during all that time, as far as I know, the interest rate has been fixed. As to my own attitude, if the minister looks at a speech I made in this house a year ago on this subject he will find I suggested there should be some change in the Farm Improvement Loans Act to get money to work. We know there has to be an increase or a change in the interest rate. But that it should be open-ended, without a limit, after 23 years during which it has been fixed, leaves much to be desired.

This does not only affect those of the farming community. People living in urban areas have an interest in the kind of rate which farmers have to pay. No one living in the city would contemplate getting involved in a contractual obligation if he did not know what rate of interest he would have to pay. It is evident that under the proposed bill the rate of interest is to be increased, however the rate is set. This will mean increased cost of production which will be passed on in turn to consumers, leading to a higher cost of living.

At this stage our criticism is directed against the proposition that the interest rate should be open ended after 23 years of operation during which it was set at a definite figure. Many millions of dollars were lent under this system. The minister tells us the cabinet will set this rate. Perhaps when we pass this bill in principle the minister can advise the committee which other bills involving the lending of federal moneys make provision for an open ended interest rate to be set by the cabinet. Rates of interest under the National Housing Act are not set by the cabinet, though it is true they are set in accordance with a formula.

I suggest that under this measure the farmers of this country will be playing a floating crap game with the dice loaded. They have not too much option, because they need the credit, and have the experience of turning to the government for help in this direction. As I say, they will be playing a floating crap game with a floating interest rate set by the cabinet—this month it might be a certain figure, next month it might be lower; or perhaps, because of one's friends, it might be different. The minister shakes his head, but we do not know.

We heard before this parliament began that this was to be a swinging place. But we did not appreciate that we would have swinging interest rates. It is one thing to be a swinger and another to be a cool cat. We would like to see a cool interest rate with no swinging on the ups and downs. The minister nods his head and I shall sit down, because I want to know how he will answer these questions during the committee stage. This act was passed back in March, 1945, close to the ides of March, of which we are told to beware. Mr. Speaker, unless the farmers have the benefit of a definite interest rate it will not be the ides of March we should beware, but the interest of Olson.

Mr. John Burton (Regina East): I noted with some interest tonight the change in the arrangements of the business of the house by which second reading of the Farm Improvement Loans Act now takes precedence over second reading of the Farm Credit Act. It seems it occurred to the minister at the last minute that the program should be altered? Did this indicate that there was some disturbance behind the scenes? Is he, perhaps, trying to put down a revolt? Is he having second thoughts? Did he receive a message from the prophetic Bible Institute of Calgary? Or is this a manoeuvre setting the stage so as to justify the change of interest rate proposed in connection with the farm credit legislation?

This bill does three main things. It changes the manner in which interest rates are set. Under the new arrangements the governor in council will have the power to set interest rates, whereas formerly the rate was fixed at 5 per cent. In the second place it extends farm improvement loan coverage to include

land purchase where the land in question is added to an existing farm.

• (9:30 p.m.)

Third, it extends coverage in that it makes it possible for credit unions, caisse populaires, and trust and loan companies to make loans under the Farm Improvement Loans Act. I approve of the principle of extending the provisions of this act to include credit unions and co-operative organizations. In the main, credit unions are working at the community level and are very knowledgeable of the needs of rural communities. Some trust and loan companies are already in the farm lending business and are familiar with the credit picture and can handle these loans effectively. Some are making farm loans at this time, but it is obvious that most lending companies are primarily interested in making a buck, rather than being concerned with the welfare of the agricultural industry.

I trust the minister, in designating eligible loan companies and others who may lend with government guarantees, will first determine that they have adequate and skilled personnel and policy to make a positive contribution to the welfare of the agricultural industry. It might also be of assistance if this were spelled out to some extent in the act, so the minister will have some legislative guidance in determining whom he should designate to make loans under the provisions of this act.

The amendment proposed in regard to the interest rate structure represents a major change, as has been pointed out by previous speakers. The minister has recounted how the banks would not lend any more money at the 5 per cent rate. The government has adopted a policy of allowing interest rates to go up and they have to take the responsibility for this situation. What the minister is now saying in effect is that the banks made him do it. But the government cannot slough off its responsibility in this way.

The argument has been made that the level of returns in agriculture at the present time is insufficient to carry high interest rates. Certainly it has been made clear that the effect of the proposed amendments would be to raise interest rates on farm improvement loans. It seems to me the government must concern itself with the direction in which these actions will take the agricultural industry.

If the government cannot or will not do something about the interest rate structure in Canada it should take a look at some of the alternatives that have been suggested during the previous debate on this matter. One suggestion that has been raised is that lending in the area of intermediate term credit might be made with government funds. In this way the level of interest rates could be restricted.

A second step that could be taken as an alternative would be to ensure through other programs—certainly not by this legislation, as the minister seemed to think we were suggesting—that the agricultural industry will receive an adequate level of returns.

The third possibility that might be considered, and I admit the administrative difficulty, would be to subsidize interest rates. Certainly it seems to me this would be preferable to allowing market forces to determine what rates of interest the farmers will have to pay for loans under this act.

There are two basic points which require consideration. The first is that parliament should be the body which sets the interest rates or the basic policy in respect of rates. The second point is that rates should be set at a reasonable level. The other major provision in this legislation will extend the act so that it will include land purchases. The hon. member for Saskatoon-Biggar (Mr. Gleave) has already dealt with this question at some length and quite effectively.

Again I must ask the minister to give consideration to what this step will do to agriculture as a whole. I am suggesting that it will help large farmers the most, and these are the people who are not really in greatest need. After all, they are in a position to consider higher interest rates and this will add to the penalties and hardships on the smaller and new farm operators who are trying to enter this industry. I suggest it will result in a further scramble for land which will be backed by public guarantees. Some credit is provided by private companies now, and land purchases are being made, but this is not being done with public backing.

The change in this legislation will mean that private companies can engage in the land mortgage business with public backing and guarantees. The Farm Credit Corporation does consider lending from the viewpoint of farm units and not on a piecemeal basis. I suggest this will not be of concern to the private industry in the land mortgage field.

I suggest that this measure as it is set out could be a step in the direction of destroying the effectiveness of the Farm Credit Corporation. Certainly I think the corporation is

accepted by farmers all across Canada and recognized as an agency for the betterment of the agricultural industry. I agree there are some problems in respect of present Farm Credit Corporation legislation, particularly for those farmers who wish to add a piece of land to their existing farm enterprise. I think these problems could be solved and dealt with by amendments to the Farm Credit Act rather than in this other way.

Let me suggest to the minister that most of the history of private credit in agriculture shows poor results and poor outcome. Public credit programs have helped the industry, and in this regard I should like to refer to the report of the Saskatchewan royal commission on agriculture which dealt extensively with the field of farm credit in 1955.

It has been noted in this house that this report was used as the basis for the Farm Credit Act as it was originally introduced in this house. I should like to draw the minister's attention to some of the principles that were set out by this royal commission for a public credit program. It did suggest that a farm should be treated as a unit for credit purposes. Second, it suggests that credit is needed by the young farmer with practical experience but a shortage of capital. Third, it suggests there is a greater need for credit facilities and, fourth, there is a need for an assessment of applications for credit and the income potential of the potential borrower. What we do need is more emphasis on the income potential and management ability rather than on collateral security. It was pointed out that guidance and supervision are essential to an adequate rural credit program. It was also pointed out that loan repayment periods must be longer and flexible enough to meet the argicultural situation. Those are some of the principles which I suggest should be included in any public credit program.

Let me draw the minister's attention to the fact that one of the recommendations made was that the extension of loans for fixed and working capital by a farm credit lending agency should be done by one credit agency rather than a proliferation of agencies in order to permit sound supervision. In some of the programs we now have before us we are moving away from this principle.

Questions are being asked in the agricultural industry today such as whether it is necessary to repurchase land each generation? In other words, do farmers have to live poor and die rich, as has been too often the case in the past. Is it necessary to have these high interest rates? What kind of rural communities are we building for the future?

These are some of the questions that the government must also consider. I urge that they be given careful consideration when the government is dealing with legislation such as that now before us.

• (9:40 p.m.)

Mr. L. J. Benjamin (Regina-Lake Centre): Mr. Speaker, before the minister replies I should like to ask one or two questions similar to those posed by my colleague, the hon. member for Regina East (Mr. Burton).

I cannot recall whether he gave any reasons for the inclusion of land under the farm improvement loans program. I am wondering whether this is to take some of the pressure off the Farm Credit Corporation in respect of loans on small parcels of land, so as to leave Farm Credit Corporation capital available to a greater degree to large farmers, thus turning over the smaller farmers or the purchasers of small parcels of land to the tender mercies of the lovey dovey finance company and various other and sundry such organizations.

The minister and his colleagues in the cabinet can set the interest rate at whatever they want. I was sorry to hear one hon. member to my right say that he agreed an interest rate of 5 per cent was too low. I do not think that statement could be made to any farmer in this country, because if it were you would not get out of town with a whole skin. If the minister wants to do that, fine. Then I suggest that the government should proceed, as I mentioned the other day during another stage of this legislation, to set as national policy for the most basic of all industries in this country that no one under this legislation, or the other legislation which we have been considering, shall pay more than an interest rate of 5 per cent. Then, when the minister and his colleagues choose to set a rate higher than that by order in council, they should also ask the banks to send them a bill for the difference between 5 per cent and whatever rate they set. Then they would be making a real contribution to the most basic of all industries in this country. They would not be adding to the costs of production that farmers face.

When the Bank Act was opened up in a previous session of this house, government spokesmen and spokesmen for the financial interests of this country expressed great concern over the fact that the near banks, the loan and trust companies, were getting too

large a share of the capital market of the country and that by opening up the act the banks would be allowed to get into other fields and they might even be able to stay open longer. Now the government wants to reverse the process.

If the arguments were logical in the discussions regarding the opening up of the Bank Act, I suggest that the arguments now about including these other organizations are not logical. I am speaking of trust and loan companies, because I support completely the opening up in this legislation of facilities which include credit unions, caisses populaires and co-operative credit societies. But opening up this field to other financial institutions such as trust and loan companies is the exact opposite of the arguments put forward previously in the debate on amendments to the Bank Act. On the matter of fees and service charges I wonder what would happen to a farmer who had obtained a loan under the act and fell behind in his payments because of a crop failure. I can just imagine how the lovey dovey finance companies would treat him if he asked for an extension of the repayment period or a renewal of the loan.

I say this because under the provisions of the act they are not subject to any additional charges so long as they are not in default of payment. But I can just imagine how some of these outfits will get caught up with making a faster buck by charging higher interest rates and service charges, should the farmer find himself in the position I have mentioned. I hope the minister can inform the house that if the provisions of the legislation are not solid enough to take care of this sort of situation, he will see that such provisions are included when we are in committee.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, as I have already had the opportunity of airing my views on such an important and much discussed subject, I would like to take a few minutes to make some remarks since the minister is here. I would simply like to tell the minister that, during the week-end, I happened to meet quite a few farmers from my riding, and I would like to pass on their views to him. In fact, I think those views might lead him to revise his position regarding the bill. To start with, I will tell the hon. minister of Agriculture that I can think of nothing worse. However, we will have to consider the possibility for our farmers to pay an interest rate higher than 5 per cent.

I know that a great deal has already been said on that subject and that others were certainly more cunning than I. I do not in the least want to be cunning. What I want to do is to beg the hon. minister, in the name of the farmers, not only in my riding, but in my province and in the whole country, to reassure the farmers that the 5 per cent interest rate will not go up. The reasons which motivate my intervention in this matter are well known. The minister is well aware of the situation of the farmers. He knows that they need help urgently, of course, but above all that it is essential to limit the interest rate to 5 per cent.

I am certain that the government will have to make up the difference in the interest notes, which are perhaps necessary. However, in the interest of our farmers and a strong and expanding agriculture, I think we cannot honestly support a bill which will abolish the fixed interest rate.

From the remarks of the leader of the Ralliement Créditiste (Mr. Caouette), I learned that the present Minister of Agriculture (Mr. Olson) was against such a measure a few years ago. I think we should know the opinion of members of the government party from Québec or other provinces, on that matter. I have not heard many members on the government benches state their position and I do not believe they are really in favour of increasing the interest rate. I imagine they must feel pretty uncomfortable at this point.

Having discussed the subject, and bearing in mind that like all of us, during the election campaign, they committed themselves to a limit on the interest rates, I am still wondering how they will be able to vote honestly, without going back on what they promised on the hustings. I urge them once more to exert pressure on the minister to make him change his mind and accept the fact that the farmers are unable to pay more than 5 per cent.

• (9:50 p.m.)

I waited to speak up until this debate drew to a close to-night, hoping and believing that the farmers might win if not the sympathy, at least the understanding of the Minister of Agriculture. I do hope he will give the matter a second thought and admit, once and for all, that the farmers cannot afford to pay interest rates any higher than 5 per cent.

[*English*]

Mr. Deputy Speaker: Order. I recognize the Minister of Agriculture (Mr. Olson), but I am

obliged to inform the house that if the minister speaks now he will close the debate.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I can fully appreciate the concern hon. members have for the plight of the farmers in paying a higher interest rate, which would in fact add to their costs of operation. There is no one in this house who is more anxious to have lower interest rates for farm improvement loans than is the Minister of Agriculture. But I suggest to hon. members that if we were going to maintain the rate at 5 per cent, or indeed at any rate below that which will be sufficiently attractive for the banks and for other financial institutions to make loans to the farmers, we may as well not pass the legislation at all. The simple fact of the matter is that when the interest rate was fixed at 5 per cent, loans were not being made; and indeed when the farmers went in to obtain credit to purchase farm equipment, the banks would not make use of the guarantee under the Farm Improvement Loans Act as late as several months before the act expired. They said to the farmers, "No, we do not regard the guarantees to be sufficiently attractive for us to make loans at that rate; but if you will pay the commercial rate, or some other rate depending on the risk, then we will make this loan to you". Some of these loans have been made at rates as high as 9 or 10 per cent. The whole purpose therefore of having a maximum prescribed rate which would qualify the loan for a government guarantee is to have that rate lower than the going rate.

When hon. members opposite say that the government is doing something which will do harm to the small farmers, I do not know what they mean, because if they wish to keep the maximum interest rate so low that the loans will not be made, we will just be wasting our time trying to pass this legislation. Most of the farmers across this country know this very well. They are waiting for this act to be passed by parliament, so that a government guarantee will be available for these loans and so that the rate will be lower than what they are paying in the banks today.

Hon. members opposite have asked what the precise formula will be. They have asked for the exact rate. Frankly, I do not know the exact rate. The hon. member for Crowfoot (Mr. Horner) asked how much the government guarantee is worth; and then he went on to answer his own question, because at the time it was set at 5 per cent the banks could charge 6 per cent, but they did in fact lend hundreds of millions of dollars at 5 per cent. It must have been worth at least 1 per cent more.

Mr. Horner: Could the minister say whether it is still worth 1 per cent?

Mr. Olson: I think it is, and indeed if you were considering it on a percentage basis it might be worth even slightly more than one per cent.

Mr. Horner: Below the bank prime borrowing rate?

Mr. Baldwin: After the budget is presented it will probably be less.

Mr. Olson: Lower than the rate that borrowers are paying now.

Mr. Horner: The prime rate at that time was 6 per cent.

Mr. Olson: The prime lending rate at that time was not 6 per cent. The maximum statutory limits according to which the banks charged their interest rate was 6 per cent, but they lent the money at 5 per cent. I suggest to hon. members opposite that the government guarantee for these loans is still worth 1 per cent, or perhaps a little more.

Mr. Horner: Can the minister give us an idea as to what rate he is talking about now?

Mr. Olson: What is important is that a farmer today can go to a bank and if he has a high credit rating he can borrow money at a fairly attractive rate. However, other farmers whose credit rating is not quite as high pay a substantially higher rate than the lowest rate offered to some farmers today. Hon. members opposite know that. When we offer this government guarantee, every loan that is guaranteed under this act will be at an even lower rate than is the commercial or competitive rate today. So when hon. members opposite say we are helping the big farmers but not the small ones, in fact exactly the opposite is true.

Mr. Horner: Would the minister permit a question? Will the prescribed rate be the same for every farmer?

Mr. Olson: I have only three minutes left in which to answer the questions.

Mr. Deputy Speaker: Order, please. The minister has the floor.

Mr. Olson: We will get to this matter when we are in committee; I have a suspicion it will be brought up again. I want to make it quite clear that the effect of this act will be substantially more beneficial to the small farmer whose credit rating is not quite as high than it will be to the big farmer who has a good credit rating.

I will try to answer some questions in the next few minutes. One of them was: Why include land under the Farm Improvement Loans Act? It is simple. The reason is that it is substantially easier and less costly to make an application under the Farm Improvement Loans Act than to apply to the Farm Credit Corporation, because of the legal fees, the mortgages, and so on, that the Farm Credit Corporation requires. Therefore we think it would be advantageous to include under this legislation smaller parcels of land. Large amounts of money for larger pieces of land will still go through the Farm Credit Corporation.

There are several other questions which I should like to answer, but I will do so when we are in committee. Almost every hon. member who rose in this debate has referred to the interest rate. I hope I have answered their questions. We do not know precisely what the rate will be, but we are sure it will be a substantial improvement over the rate which farmers are paying today. It is for that reason that many farmers are waiting for the house to pass this act, so they can take advantage of it and obtain credit for the purchase of farm machinery which they have probably needed for several months.

Mr. Korchinski: If we pass this legislation tomorrow, what will the interest rate be?

Mr. Deputy Speaker: Order, please.

Mr. Nowlan: I have a brief question for the minister. I quite agree that farmers want this act passed. So far as I am concerned, the interest rate is not what we would like it to be at this stage. We want to vote on it. However, can the minister answer the question which I put to him in the course of my previous remarks? Is there any other federal act under which the governor in council sets the interest rate?

Mr. Olson: There are several other statutes: For example, the second part of the Farm Credit Act, the Farm Machinery Syndicates Credit Act, and several others.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Faulkner in the chair.

The Chairman: Shall clause 1 carry?

Some hon. Members: Ten o'clock.

Progress reported.

• (10:00 p.m.)

BUSINESS OF THE HOUSE

Mr. Baldwin: I wonder if the government house leader could give us an idea whether we will be proceeding tomorrow with the business he announced last Thursday?

Mr. Macdonald (Rosedale): Yes, we will be taking item No. 3 on today's order paper, the resolution preceding the amendments to the Post Office Act. When that is completed, we will take third reading of the bill for the Windfall extension of Canadian National Railways. When that is completed we will continue with the committee stage of the bill we were discussing this evening. I will make further arrangements when we have dealt with that business.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

LABOUR CONDITIONS—REQUEST FOR FAIR EMPLOYMENT PRACTICES LEGISLATION

Mrs. Grace MacInnis (Vancouver-Kingsway): A few days ago, Mr. Speaker, I asked the Minister of Labour (Mr. Mackasey) the following question, as reported at page 705 of *Hansard*:

> In view of charges of sex discrimination in employment which were made yesterday by the president of the Canadian Labour Congress, and in view of the need to ensure that women workers will receive equal pay for comparable work and equal opportunity in respect of hiring and advancement, will the government consider the enactment of a fair employment practices act?

In reply the minister referred me to remarks made the previous evening by his parliamentary secretary. I looked up *Hansard*, Mr. Speaker, and found some references to the women's bureau and to the Female Employees Equal Pay Act. However, I found no reference whatever to a fair employment practices act. I am rather astonished that the Minister of Labour could so lightly dismiss the considered opinion of the president of a

large labour organization in this country which represents the overwhelming majority of the organized workers.

In speaking before the Royal Commission on the Status of Women, the president of the Canadian Labour Congress, as had the Canadian Union of Public Employees earlier, criticized the degree of discrimination against women workers. As a matter of fact, the president of the Canadian Labour Congress called for a fair employment commission which would, and I use his words, "forcibly and immediately eliminate discrimination against women on the job."

As I say, I have difficulty in understanding how the Minister of Labour could dismiss this matter in such a cursory manner. When we are speaking of discrimination against women workers in Canada, I think the minister would do well to remember that we are referring to one third of the Canadian labour force at the moment, and that is a very big segment indeed. Had he attended even one session of the Royal Commission on the Status of Women during the past week, he would have realized how deep and widespread is the resentment of women, and even some men in the Canadian congress, against this discrimination against women in our labour force.

This discrimination shows itself in a great many ways. For one thing, the labour congress made it clear that there is discrimination practised against women taking employment in traditionally male occupations. Consequently, these women are forced into occupations which are much less well paid and where frequently they are at the bottom of the pay scale. A newspaper article refers to the statement of the president of the Canadian Labour Congress this way:

> Mr. MacDonald backed his case for the need to eliminate sex prejudice on the job by saying that jobs most frequently occupied by women, such as clerks, telephone operators, typists, hairdressers or launderers, seldom lead to advancement and are lower paid than areas where women do not predominate.
>
> We might add that even in those industries where women predominate any males who may be working in it generally fare better financially.

We must remember that the vice president of the council of the Canadian Labour Congress met with Miss Hugette Plamondon, and we cannot forget her statement that when she looked at the pay schedule in a plant her heart started to pound because she realized that at the bottom of the pay scale would be the women workers.

[Mrs. MacInnis (Vancouver-Kingsway).]

Second, Mr Speaker, there is prejudice in women having positions of responsibility. Why? The usual excuses are given—that women are there for a short period only, that they cannot stand responsibility, and so on. I suspect that the males who got there first are being reluctant to share the more interesting work that responsibility entails, as well as the much better pay and undoubted status that goes with positions of responsibility.

Third, Mr Speaker, there is prejudice against women having supervisory positions over men or other women. Such a situation, which the minister dismissed so casually and briefly the other evening, violates both the United Nations universal declaration of human rights and also the I.L.O. convention respecting discrimination in respect of employment and occupation.

It is quite obvious, Mr. Speaker, from the testimony we heard last week before the commission that the Female Employees Equal Pay Act, which is administered by the women's bureau, has proved completely inadequate to deal with discrimination. The best proof of that fact is that the head of the women's bureau last spring quit her job in complete frustration. Simply paying a new supervisor of the women's bureau a higher salary is not going to get rid of the causes of frustration which brought about the resignation of the previous head. There is need—

The Acting Speaker (Mr. Béchard): Order.

Mrs. MacInnis (Vancouver-Kingsway): May I just finish, Mr. Speaker?

The Acting Speaker (Mr. Béchard): Order. I must inform the hon. member that her time has expired.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I have listened with a great deal of interest to the hon. member for Vancouver-Kingsway and, I must say, with a great deal of sympathy. Last week I explained that the Female Employees Equal Pay Act is basically good legislation and that its weakness rests with the fact that action can only be taken on complaints brought to our attention by affected workers. It is the intention of the Department of Labour to recommend that this act be amended so that the Department of Labour can act on its own initiative rather than on complaints, as is the present practice.

I also pointed out, as Mr. Little of the Canadian Union of Public Employees had already pointed out himself, that perhaps

sufficient efforts have not been made to acquaint women with this act and its provisions. Mr. Little was also frank and honest enough to indicate that the unions themselves are not without blame, a point substantiated by Miss Hugette Plamondon of the Canadian Labour Congress.

The Canadian Labour Congress has also referred to this problem in its brief to the Royal Commission on the Status of Women. No doubt the observations which have been made, particularly those concerning the interpretation of the terms "identical or substantially identical work", and the implementation of the act, will give rise to conclusions and recommendations by the commission.

With respect to equal opportunity in hiring and advancement, this is a very complex matter involving not only widespread social attitudes as to what is degrading work for women. The physical and mental health of women has also been protected by other laws which prohibit women from undertaking certain work. I have in mind legislation conforming with international labour conventions, such as the act prohibiting employment of women underground in mines.

• (10:10 p.m.)

When the grounds for discrimination were being established in our Canada Fair Employment Practices Act, it was decided that sex was not in the same category as colour, race, religion, or national origin. None of these bases have the slightest effect on employability or productivity in any occupation. However, there are many jobs requiring strengths usually associated with males, which most women could not fill, while there are other occupations, such as working underground in mines and the like, which society would deem unsuitable for women. There is also provincial legislation governing hours of work, rest periods, safety and health facilities provided in connection with employment of women as distinct from men. Experience has proven the need for legislation to protect women against hazards to which they are more vulnerable because of their sex.

In the case of the working mother for instance, limitations may actually facilitate her gainful employment, and preferential treatment must be expected when maternity conditions require her to take long periods off from work. In other words, because equitable terms of employment for women often require differentiation from those applied to men, sex is a quite different factor from the other factors included in the Fair Employment Practices Act.

In the submission by the Canadian Labour Congress to the Royal Commission on the Status of Women, the congress recognizes there are broad social attitudes which could militate against the effectiveness of such legislation.

They state that prejudice against women taking employment in traditionally male occupations and against women being placed in supervisory positions over men, or even over other women, does not reside solely with management, but also extends to all levels of the employment structure.

Mr. Deputy Speaker: Order, please. I must inform the hon. member that his time has expired.

DRUGS—INQUIRY AS TO ACTION TO CONTROL INCREASED NARCOTICS TRAFFIC

Mr. R. L. Whiting (Halton): Mr. Speaker, last Wednesday I asked the Minister of National Health and Welfare what his department is doing to educate young people to the dangers of taking drugs such as L.S.D., S.T.P. and heroin; whether serious consideration is being given to using communications techniques such as films, television programs and young people's popular magazines; and what research is being carried out to determine what long term effects these drugs have on people who use them, particularly on young people whose future could be ruined. It was suggested that this important question be placed on the order paper. Because of the importance of this subject I have asked for an opportunity to discuss it on the adjournment debate.

At the outset of my remarks I think I ought to bring something into perspective, and that is that I believe the vast majority of young people in Canada are not taking drugs and probably will never take drugs.

Some hon. Members: Hear, hear.

Mr. Whiting: But, Mr. Speaker, there are young people who are taking drugs such as L.S.D. and S.T.P., and there are others who can be influenced by them. All too often in recent months have we read and heard about L.S.D. and S.T.P. parties involving young people. We know of the many reasons our young people are turning to drugs, but the time allotted to me this evening does not permit my going into all the various aspects of the question. I should like to draw to Your

Honour's attention one important reason, and that is ignorance. Our young people do not know how seriously they may endanger their physical and mental health as the result of just one experiment with L.S.D.

I should like to read what the Montreal Protestant School Board said recently in an effort to discourage student drug use:

> We believe that only factual information well presented, and not conjecture based on emotional appeal, will have an influence on our young people today. The responsibility for communication of this information must be shared by educators, parents, students and the public at large.

This is a national problem and it must be treated as such. I maintain that this information should be initiated at the federal level. I do not think there is a town or community in this country which can sit back smugly and say: Drug addiction cannot happen here. Facts show that drug addiction can happen and does happen in many communities, and no one community or no one area is immune.

The Minister of National Health and Welfare (Mr. Munro) said last week that he will be meeting with the provincial health ministers in the near future. I strongly urge that this subject be placed on the agenda and discussed. I urge the federal government to take the initiative in setting up an educational program in co-operation with the provinces. The money this program will cost will be money well spent.

Mr. Robert Stanbury (Parliamentary Secretary to Secretary of State): In the unavoidable absence of the Minister of National Health and Welfare and his parliamentary secretary I am glad to have the opportunity of congratulating the hon. member on his interest in this most important matter, an interest which I share both as a member of the standing committee on health and welfare in the last parliament and now as parliamentary secretary to the Secretary of State, who has a special concern for the youth of Canada.

The hon. member will know that under the terms of the British North America Act, there is no way in which the Department of National Health and Welfare can carry out an education program with respect to drug abuse or any other subject directly in the schools. What the department can do, and is doing, is to make informational materials available for use by school, community or other groups.

Some months ago officials of the department met with a group of high school teachers to discuss ways in which the department could assist in informing young people of the dangers of drug abuse. As a result of this meeting the department has purchased a number of copies of a movie called "L.S.D.: Insight or Insanity" which it is making available to schools and other interested groups. As well, this film has been brought to the attention of the provincial departments of health and a number of these have ordered copies which they are making available within their respective provinces.

• (10:20 p.m.)

A number of publications dealing with L.S.D. and marijuana have been produced by the department in recent months and a major pamphlet, designed for mass distribution, is in its final stages of production. This pamphlet will be provided to provincial departments of health in sufficient quantity for distribution throughout the provinces.

It is the intention of the department to expand this informational program in every way possible in order to ensure that the consequences of the misuse of drugs are fully known to our young people.

As well, the department is continuing to reassess and update its control program as new hallucinogenic drugs come into use among young people. By order in council P.C. 1968-1736, Schedule H of the Food and Drug Act was amended last month by the addition of D.E.T., D.M.T. and S.T.P. This amendment will have the effect of prohibiting the sale of these substances as well as L.S.D. which was added to this schedule some time ago.

Item 29 in the list of bills presented to this house by the Prime Minister (Mr. Trudeau) on September 12, "A bill to amend the Food and Drug Act and the Narcotic Control Act and to make a consequential amendment to the Criminal Code," will further increase our capacity to control the use of hallucinogenic drugs. This bill will add to the Food and Drug Act an additional schedule to be known as restricted drugs and will provide penalties for possession, possession for purposes of trafficking, and trafficking in such substances as L.S.D., S.T.P. and other hallucinogenic drugs. The whole subject of drug abuse—

Mr. Deputy Speaker: I regret to interrupt the parliamentary secretary to the Secretary of State but his time has expired.

[*Translation*]

PUBLIC BUILDINGS—OTTAWA—COST OF NATIONAL ARTS CENTRE

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, this afternoon I brought up the matter of the cost of the National Arts Centre which initially was not supposed to exceed $15 million. Yet, today, we are told that it will cost approximately $56 million.

I am happy to see the Minister of Public Works (Mr. Laing) in his seat tonight to take note of the brief remarks I will make on this matter.

In the Ottawa *Journal* of June 1966—over two years ago already—one could read this:

[*English*]

Contract for the main portion for the National Arts Centre today was awarded to V. K. Mason Construction of Ottawa on a $31,848,000 bid.

This brings the going price to date to $34,968,000.

[*Translation*]

And it is said that there is more. It is said now that there were three stages.

First stage:

[*English*]

Phase 1, the excavation, now complete and ready for superstructure, cost $1,453,000.

Phase 2, a portion of the underground garage with the job far from complete cost $1,667,000.

Phase 3, the construction of the three theatres, completion of underground parking and provision of facilities for restaurants, cafeterias, shopping mall, dressing rooms for 160 performers, rehearsal halls and administration offices now is scheduled to begin this July with a completion date set for January 1968.

[*Translation*]

The total amount at that time was supposed to reach approximately $35 million. That was in June 1966.

[*English*]

Awarding of contract was made public by Works Minister McIlraith.

[*Translation*]

Mr. Speaker, recently, that is on October 3, we could read in the Ottawa *Citizen* the following:

[*English*]

Arts Centre cost now up to $46 million.

—Which means approximately. Reporter Greg Connolley said—

[*Translation*]

That means about $10 million more than the amount mentioned two years ago.

That is what prompted Mr. Greg Connolly, of the press gallery, to say, when he questioned certain members, including the former prime minister of Canada, the right hon. member for Prince Albert (Mr. Diefenbaker), and I quote:

[*English*]

His eyebrows almost popped out of sight when he noted the cost for furniture in the centre was not set at $3,989,000.

[*Translation*]

We are speaking of $4 million, for furniture only, which prompted the former prime minister to say:

[*English*]

"They must be getting that place dressed up like Joe Greene's office."

[*Translation*]

Mr. Speaker, there is something abnormal here. Those contracts were given after tenders had been submitted. Now, after the tenders have been received, the contract given, here we are—two years later—with increases of $10, $12 and $15 million. Why tender then, if it serves no purpose?

If someone agrees to do a job for $31 million, how is it that two years later we have a $46 million undertaking? How come $15 million have been added? Is that fair to the other tenderers? Is it fair to the Canadian people who witness such a scandal?

Without the shadow of a doubt, in the minds of the Canadian people, there is messing around somewhere, probably with the election funds, where the contractors are concerned.

We are not against the construction of the Arts Centre; far from it.

Even a Liberal member, the other day, complained about the way the walls of the Arts Centre look.

Mr. Speaker, tenders are submitted and a contract is given to a contractor only after a department has inquired into his financial situation. If the contractor is not solvent, he is not given the contract.

Mr. Speaker, the situation with regard to the construction of the Arts Centre in Ottawa is inexplicable. That is why I put a question about it to the right hon. Prime Minister (Mr. Trudeau) this afternoon. Since the Minister of Public Works is now in the house, I ask him to tell us why the Canadian people should pay $56 million. I am not the one to say that; it was said by the experts who figured the cost of the Ottawa Arts Centre.

Proceedings on Adjournment Motion

This centre will cost $56 million, instead of $15 or $20 millions as provided. What portion of that amount of $56 million went to financing the election of the government in office? What amount was provided by the Mason Construction, by subcontractors, such as Pitt's for instance, who was supposed to do the excavation? Architects also were involved. The Foundation of Canada built the garage. The Spino Construction built the tunnel which costs over half a million dollars.

Mr. Speaker, it might be a good idea to tell the Canadian people, and especially the house, what are the reasons for a price increase such as we witness at the present time.

[*English*]

Mr. Robert Stanbury (Parliamentary Secretary to Secretary of State): Mr. Speaker, if I heard the hon. member correctly he mentioned a figure of $56 million. As a citizen of Ontario who has watched the mushrooming cost of the provincial science and technology centre in Toronto, I sympathize with him, but I do not think he should make the matter worse than it is. Perhaps he was dealing in Social Credit dollars. The government's estimate for completing the national arts centre is $46,426,000.

The figure of $9 million with which some comparison has been made was produced in October 1963 by a group of private citizens who called themselves the national capital arts alliance. This figure was contained in a submission they made to the government recommending the construction of an arts centre.

At that stage they were expressing a desire for a centre to contain provision for opera and an experimental studio, and their estimates were based on prices of previously constructed single unit theatres. No site had been selected although they did recommend a site at Sussex and St. Patrick streets which was relatively open and they believed surface parking would be available. No detailed study had been made on the development of the type of facilities they wished the centre to include. They estimated that the building would contain 4.8 million cubic feet with a floor area of 175,000 square feet.

The project which the government has built is an entirely different project. It contains 16 million cubic feet of space with a floor area of 924,000 square feet including a 900 vehicle underground parking garage.

As part of the development of the capital area it has been constructed on Confederation square, and while in this location it contributes to our capital, its location involves foundation conditions and the necessity of constructing a major portion below ground, as well as the provision of substantial changes in the routing of traffic and access tunnels to the parking, none of which was contemplated by the original proposers of the scheme.

• (10:30 p.m.)

The government approved of the project in a general sense in February of 1964 with the decision to accept the city owned portion of the Confederation square site and set up advisory committees to determine the requirements in providing facilities for opera, music, theatre and visual arts. These committees have developed the requirements so that the centre will provide for the total range of performing arts under first class conditions, of which Canada as a whole will be justifiably proud. The cost of the construction elements of the centre is $38,922,000 with the parking garage a $3,606,000, these figures including the cost of the necessary relocation and provision of services, such as power, water, telephone and streets. Then $3,898,000 will be spent on theatre equipment and furnishings.

The construction has been in four phases; a preliminary excavation contract being awarded in January, 1965, construction of the Mackenzie King bridge approach and a portion of the garage in June 1965, a tunnel entrance under Elgin street in August 1966, with the major theatre construction contract being awarded in June, 1966. Work on the centre is progressing and will be complete in order that the first performance may take place in June, 1969.

Motion agreed to and the house adjourned at 10.34 p.m.

HOUSE OF COMMONS

Tuesday, October 8, 1968

The house met at 2.30 p.m.

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

Mr. Ian Wahn (St. Paul's) presented the first report of the standing committee on external affairs and national defence, and moved that the report be concurred in.

Motion agreed to.

[Editor's note: For report referred to above see today's Votes and Proceedings.]

STANDING COMMITTEES

Hon. Donald S. Macdonald (President of the Privy Council) presented the second report of the special committee appointed to prepare and report lists of members to compose the standing committees of the house, as follows:

AGRICULTURE

Messrs:

Barrett
Beer
Borrie
Côté (Richelieu)
Cyr
Danforth
Douglas
Foster
Gauthier
Horner
Howard (Okanagan Boundary)
Gleave
Korchinski
Lambert (Bellechasse)
La Salle
Lefebvre
Lessard (Lac Saint-Jean)
Lind
Major
McKinley
Moore (Wetaskiwin)
Muir (Lisgar)
Peters
Pringle
Smith (Saint-Jean)
Southam
Stewart (Okanagan-Kootenay)
Thomson (Battleford-Kindersley)
Whicher
Yanakis

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

Messrs:

Anderson
de Bané
Dinsdale
Durante
Fairweather
Gervais
Guilbault
Hymmen
La Salle
Matte
Mongrain
McCleave
McGrath
Osler
Rose
Schreyer
Schumacher
Stewart (Cochrane)
Stafford
Stanbury

FINANCE, TRADE AND ECONOMIC AFFAIRS

Messrs:

Blair
Breau
Burton
Clermont
Comtois
Danson
de Bané
Downey
Émard
Flemming
Gauthier
Gillespie
Gray
Hales
Harkness
Lambert (Edmonton West)
Latulippe
Roberts
Saltsman
Trudel

FISHERIES AND FORESTRY

Messrs:

Blouin
Breau
Comeau
Crouse
Crossman
Cyr
Dionne
Durante
Goode
Hogarth
Honey
Howard (Skeena)
Lundrigan
Mather
McQuaid
Moores (Bonavista-Trinity-Conception)
Noble
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Whelan

HEALTH AND WELFARE AND SOCIAL AFFAIRS

Messrs:

Forget
Fortin
Foster
Gendron
Godin
Guilbault
Howe
Isabelle
Knowles (Winnipeg North Centre)
MacInnis (Mrs.) (Vancouver-Kingsway)
McBride
Monteith
Osler
Ritchie
Robinson
Rochon
Roy (Timmins)
Rynard
Thomas (Maisonneuve)
Yewchuk

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Messrs:

Badanai
Buchanan
Cullen
Dinsdale
Guay (Lévis)
Howard (Skeena)
Kaplan
Laprise
Leblanc (Laurier)
Marchand (Kamloops-Cariboo)
McKinley
Nielsen
O'Connell
Orlikow
Simpson
Smerchanski
Southam
St. Pierre
Watson
Yewchuk

Standing Committees

NATIONAL RESOURCES AND PUBLIC WORKS

Messrs:

Aiken
Beaudoin
Chappell
Code
Comeau
Danson
Deakon
Gilbert
Grills
Harding
Harries
Hopkins
Laflamme
Langlois
Moores (Bonavista-Trinity-Conception)
Orange
Ricard
Serré
Smerchanski
Sulatycky

JUSTICE AND LEGAL AFFAIRS

Messrs:

Brewin
Brown
Blair
Cantin
Chappell
Gervais
Gibson
Gilbert
Hogarth
MacEwan
MacGuigan
Marceau
McCleave
McQuaid
Ouellet
Rondeau
Schumacher
Tolmie
Valade
Woolliams

LABOUR, MANPOWER AND IMMIGRATION

Messrs:

Alexander
Broadbent
Caccia
Deachman
Dumont
Duquet
Knowles (Norfolk-Haldimand)
Knowles (Winnipeg North Centre)
Lachance
Loiselle
MacEwan
McNulty
Muir (Lisgar)
Murphy
Otto
Paproski
Reid
Thompson (Red Deer)
Turner
Whiting

REGIONAL DEVELOPMENT

Messrs:

Broadbent
Brown
Comtois
Corbin
Gauthier
Guay (Lévis)
Korchinski
Leblanc (Laurier)
LeBlanc (Rimouski)
Lessard (Lac-Saint-Jean)
Lundrigan
MacDonald (Egmont)
Mazankowski
McGrath
Morison
Nystrom
Rock
Roy (Laval)
Stewart (Marquette)
Whiting

TRANSPORT AND COMMUNICATIONS

Messrs:

Blouin
Caccia
Carter
Coates
Corbin
Douglas
Godin
Horner
Jerome
Laflamme
Lessard (Lasalle)
Mahoney
Nesbitt
Noël
Nowlan
Pringle
Schreyer
Serré
Skoberg
Thomas (Moncton)

[Mr. Macdonald (Rosedale).]

VETERANS AFFAIRS

Messrs:

Bigg
Boulanger
Emard
Guay (St. Boniface)
Hopkins
Knowles (Norfolk-Haldimand)
Latulippe
Legault
MacRae
Marshall
McIntosh
Mongrain
Peters
Rochon
Roy (Timmins)
Saltsman
Stafford
Thomas (Moncton)
Turner (London East)
Whicher

MISCELLANEOUS ESTIMATES

Messrs:

Alkenbrack
Ethier
Francis
Gundlock
Laniel
LeBlanc (Rimouski)
Marchand (Kamloops-Cariboo)
Mather
McCutcheon
Noël
Paproski
Peddle
Penner
Perrault
Prud'homme
Robinson
Rodrigue
Stewart (Marquette)
Thomson (Battleford-Kindersley)
Weatherhead

MISCELLANEOUS PRIVATE BILLS AND STANDING ORDERS

Messrs:

Benjamin
Cadieu (Meadow Lake)
Caccia
Duquet
Forget
Givens
Goode
Gundlock
Mahoney
Otto
Rondeau
Scott

PRIVILEGES AND ELECTIONS

Messrs:

Aiken
Benjamin
Cafik
Downey
Fortin
Jerome
Howard (Skeena)
Kaplan
MacGuigan
Marceau
Mazankowski
Peddle
Portelance
Prud'homme
Richard
Ritchie
Ryan
Sullivan
Trudel
Valade

PUBLIC ACCOUNTS

Messrs:

Allmand
Bigg
Burton
Cafik
Cobbe
Crouse
Cullen
Ethier
Flemming
Hales
Howard (Okanagan Boundary)
Lefebvre
Noble
Nowlan
Rock
Rodrigue
Rondeau
Thomas (Maisonneuve)
Winch
Yanakis

PRINTING

Messrs:

Barrett	MacRae
Benjamin	Marshall
Cadieu (Meadow Lake)	McBride
Cobbe	McCutcheon
Corbin	Moore (Wetaskiwin)
Dumont	Muir (Lisgar)
Durante	Noël
Forget	Penner
Forrestall	Rodrigue
Hopkins	Skoberg
Howard (Okanagan Boundary)	Stewart (Cochrane)
	Trudel

LIBRARY

Messrs:

Beaudoin	Legault
Caccia	MacGuigan
Cafik	Macquarrie
Dumont	Mongrain
Fairweather	Nowlan
Forest	Prud'homme
Givens	Reid
Gleave	Ritchie
Harding	Scott
Lambert (Edmonton West)	Serré
	St. Pierre

Mr. Macdonald (Rosedale) moved that the report be concurred in.

Motion agreed to.

[*Translation*]

CANADA CORPORATIONS ACT

ACT TO AMEND THE CANADA CORPORATIONS ACT

Mr. André Fortin (Lotbinière) moved for leave to introduce Bill No. C-115 intituled "An act to amend the Canada Corporations Act (Not agent for Her Majesty)".

Motion agreed to and bill read the first time.

[*English*]

CANADIAN CONSTITUTION

INQUIRY AS TO MEETING OF CONTINUING COMMITTEE

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister. I wonder whether the Prime Minister has had an opportunity to conduct the necessary consultations and can now say whether the proposed meeting of the continuing committee of the Prime Minister and the provincial premiers on the constitution will be held before Christmas as planned.

Inquiries of the Ministry

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I wrote to all the premiers of the provinces a few days ago, following my earlier letter of two weeks ago, suggesting that the general assessment of the situation at that time was that most provinces might be agreeable to a date early in December, around December 8 or 9 if my memory is correct. However, I did indicate in these letters that I had written a different kind of letter to the premier of Quebec and the premier of Alberta, in view of the recent situation which has developed in those countries—

Some hon. Members: Oh, oh.

Mr. Woolliams: He has been talking to the hon. member for Calgary South.

Mr. Trudeau: For some of you country boys I think this would be welcome.

Mr. Horner: Check *Hansard* on that one.

Mr. Trudeau: I do not correct *Hansard* the same as those hon. members.

Mr. Speaker: Order, please. I wonder whether the Prime Minister is now addressing the chair.

Mr. Trudeau: No, Mr. Speaker—indicating that in view of the particular situation in those two provinces we might give leeway to the two premiers in suggesting an alternative date, but that it was still our hope to have the meeting on the dates suggested in December. We are awaiting replies, Mr. Speaker.

HOUSING

ALLOCATION OF FUNDS BETWEEN PRIVATE AND PUBLIC SECTORS

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I want to address a question to the Minister without Portfolio who acts in the place of the Minister of Transport, who has responsibility for housing and according to the schedule is supposed to be here today.

I should like to ask the Acting Minister of Transport whether he can assure the house that the $170 million the Minister of Transport announced would be made available to private developers and builders for building family units will not in any way reduce the amount of money to be made available this year for public housing.

Inquiries of the Ministry

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, I will be very glad to look into that question and report to the hon. member.

Mr. Lewis: Mr. Speaker, may I address a supplementary question to the Prime Minister, who I understand is responsible as to which ministers should or should not be here. May I ask him whether he and his government can assure the house and the country that the $170 million now being made available for private building purposes does not in any way reduce the amount of money that is also available for public housing, as originally intended.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, what is the objection to having the Acting Minister of Transport answer this question when he has the information?

Mr. Knowles (Winnipeg North Centre): He has not got the information.

Mr. Lewis: Nor has the Prime Minister. I am asking the Prime Minister whether he and the government can give us this assurance, and as Prime Minister of this country he ought to be in a position to do so.

Mr. Trudeau: If the hon. member is more interested in having information than in scoring debating points, then surely he should have no objection to being given the correct information within 24 hours.

Mr. Lewis: On a point of order, Mr. Speaker, I do not care whether it is the Prime Minister or anyone else.

Some hon. Members: Oh, oh.

Mr. Lewis: He has no right to impute motives to any member of this house, and I resent his suggestion.

Some hon. Members: Hear, hear.

Mr. Lewis: On that point of order, Mr. Speaker, I say I am entirely in order in asking the Prime Minister for the assurance that this amount will not be reduced.

Mr. Speaker: Order, please. The hon. member is quite right. It is a basic rule of debate that no hon. member may impute motives.

[*Translation*]

THE CANADIAN ECONOMY

INQUIRY AS TO REPLACEMENT FOR WINTER WORKS PROGRAM

On the orders of the day:

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

[Mr. Lewis.]

When does he intend to introduce his just society policy to replace the winter works policy, in view of the fact that municipalities are now in a very difficult situation?

Can the house expect an early statement from the right hon. Prime Minister in this connection?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the policy in this regard was launched before cancelling the winter works program; this the member should know.

Mr. Caouette: Mr. Speaker, on a point of order.

We are precisely asking the Prime Minister to inform the house about the work done so far by the government, because the Canadian people are not aware of it.

Mr. Trudeau: Mr. Speaker, when I announced the end of winter works, I explained that they had been replaced by programs entailing much higher and much more useful expenditures as far as the economic expansion of the country is concerned.

[*English*]

DOMINION-PROVINCIAL RELATIONS

REQUEST FOR REPORT RESPECTING CONSIDERATION OF SHARED PROGRAMS

On the orders of the day:

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, on Friday last the Prime Minister indicated that the government was endeavouring to hold meetings of federal and provincial ministers of finance or treasury officials with a view to discussing open ended joint programs. Will the Prime Minister kindly clarify the situation that has developed? Will those meetings he referred to be part of the general dominion-provincial meetings with regard to dominion-provincial financial arrangements, or will they be separate meetings?

Right Hon. P.-E. Trudeau (Prime Minister): They would be part of the meetings of the ministers of finance of the federal government and the provinces. There may also have to be separate meetings of health and welfare ministers.

Mr. Lambert (Edmonton West): A supplementary question, Mr. Speaker. In those supplementary meetings will medicare and its position in the open ended programs listed by the government be part of the discussion?

Mr. Trudeau: We have indicated, Mr. Speaker, that the provinces are free to put any item they wish on the agenda. If they want to put medicare on, that would certainly be acceptable.

POST OFFICE DEPARTMENT

DISCUSSIONS WITH NEWSPAPER OFFICIALS ON REDUCTION IN SERVICE

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a question to the Postmaster General. Can the Postmaster General report to this house how the discussions with the circulation managers of daily newspapers are proceeding? I ask this question in view of the minister's announcement in this house last week end that discussions would be taking place in this regard early this week, with a view to altering the announced Saturday cut-off in mail delivery.

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, since yesterday morning field directors and officers of the post office have been fanning out across the country to discuss with publishers and circulation managers of newspapers the problems occasioned by the ending of postal deliveries on Saturday. I may say that the reaction has been extremely warm.

Some hon. Members: Oh, oh.

Mr. Kierans: The editors and circulation managers of newspapers have appreciated the delicatesse of the officers of the department as well as their anxiety to find ways of easing whatever problems may arise. We are pursuing this program, and when the reports come in from the field I anticipate holding a general meeting with the senior executives of the association itself.

Mr. Nesbitt: A supplementary question, Mr. Speaker. Since the minister has indicated that he is seeking reports on the matter, is he prepared to accept reports from hon. members of this house on behalf of their constituents? I have several hundred right now on my desk.

INDUSTRY

CAPE BRETON—NEGOTIATIONS RESPECTING EARLY RETIREMENT PROGRAM

On the orders of the day:

Mr. Robert Muir (Cape Breton-The Sydneys): I have a question related to the answer given yesterday by the Minister of Forestry and Rural Development to the hon. member for Cape Breton-East Richmond. In the absence of the minister concerned I should like to direct my question to the Prime Minister and ask him whether negotiations will take place between Devco and the unions concerned before any early retirement program, as recommended in the Donald report, is implemented.

Right Hon. P.-E. Trudeau (Prime Minister): The Minister of Forestry and Rural Development under whose jurisdiction this comes will be here tomorrow for the question period.

AIR CANADA

INQUIRIES AS TO POSSIBLE MERGER AND APPOINTMENT OF PRESIDENT

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prince Albert): I should like to direct a question to the Minister without Portfolio, the hon. member for Winnipeg South, in connection with the task force on Air Canada. Could he advise the house how that task force is proceeding and whether any evidence has been placed before him or those associated with him, or whether representations have been made, that Air Canada should merge with Canadian Pacific Airlines, a suggestion which received support from the hon. gentleman in June?

Hon. James Richardson (Minister without Portfolio): I have been asked by the Prime Minister and by the Minister of Transport to look into the future planning of Air Canada. One of many alternatives which exist is a possible merger, but no active consideration is being given at the present time to a merger of Air Canada and Canadian Pacific.

Mr. Diefenbaker: I thank the minister for that answer, and would ask him whether his views have changed since June when he said Air Canada and Canadian Pacific should join together and the stock be made available for private purchase.

Mr. W. B. Nesbitt (Oxford): I thought the minister was about to answer the question addressed to him by my right hon. friend. Has the minister been able as yet to recommend to his colleagues the name of a new president for Air Canada?

Mr. Richardson: I think I should say first of all that the board of directors of Air Canada and the government are well pleased with the interim management which is being given to Air Canada by the acting president. I should

say further that the board of directors are considering changes in the management structure of the company and that these changes are being discussed with the government.

Mr. Diefenbaker: I am sure the hon. gentleman intended to answer my question but did not get the opportunity. I would not wish to deny him—

Mr. Speaker: Order. It might be helpful if I suggested that the question was not entirely in order. The right hon. gentleman is asking whether the minister has changed his views. That in itself, I suggest, is not a proper question.

INDIAN AFFAIRS

REPORTED RECONSIDERATION OF PROPOSED BRANCH REORGANIZATION

On the orders of the day:

Mr. Robert Simpson (Churchill): I should like to direct a question to the Prime Minister. Is it a fact that the government is reconsidering the announced reorganization of the Indian affairs branch and, if so, would the right hon. gentleman say whether an announcement is imminent?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we announced last week that the Department of Indian Affairs and Northern Development would be reorganized in order to serve the Indians of Canada better and we do not intend to change our policy.

[*English*]

Mr. Simpson: Mr. Speaker, I wish to direct a supplementary question to the Minister of Indian Affairs and Northern Development. Can he say whether he has yet received a report prepared by ARDA in regard to poverty in Indian areas in Canada?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I have no report from ARDA on my desk at the present time.

[*English*]

Mr. Simpson: Then would the minister consider conferring with his colleague, the Minister of Forestry and Rural Development, who has told us that he is in possession of this report, and thereby do away with the confusion that exists in the ministry?

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to ask the minister whether the table of organization as now determined by the department is ready to be made available to members of parliament?

[*Translation*]

Mr. Chrétien: Mr. Speaker, yesterday I signed a letter addressed to all members of parliament and all Indian chiefs, setting out the detailed reorganization. No doubt members and other persons concerned will receive it this week.

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a supplementary question to the Minister of Indian Affairs and Northern Development.

When he met the Indian chiefs yesterday, was he acting as minister or as Indian chief?

Mr. Chrétien: I met them in both capacities, Mr. Speaker, and I was given a warm reception.

[*English*]

DRUGS

MARIJUANA—REQUEST FOR ESTABLISHMENT OF RESEARCH COMMITTEE

On the orders of the day:

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I would like to address a question to the Minister of National Health and Welfare. In view of the galloping increase in the use of marijuana and the increasing number of young people tragically being paraded daily before the courts, and the extreme urgency of dealing properly with these cases, will the minister consider setting up an immediate research committee to look into this problem, or will he make a statement to the house?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I would be pleased to consider that suggestion by the hon. member. However, I would advise him that there are people within the department who are now forming a secretariat and looking into the matter fully.

Mr. David Orlikow (Winnipeg North): As a supplementary question, would the minister tell the house whether his experts in this field are discussing the problem with the appropriate officials in the Department of Justice, who seem to feel we need more and stiffer jail sentences?

Mr. Munro: Mr. Speaker, without agreeing with the conclusion of the hon. member I would state that officials in my department are discussing the matter with officials in the Department of Justice.

FISHERIES

AMENDMENT OF REGULATIONS ON LOBSTER TRAP LIMITATION

On the orders of the day:

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. Is the minister giving any thought to amending the regulation concerning the lobster trap limitation in view of the fact that the lobster season is to open soon and in view of the controversy arising from this regulation.

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, the regulations which have been in effect for some time will be continued, but we are giving some thought to their amendment in the longer term.

Mr. Comeau: As a supplementary question, Mr. Speaker, is the minister giving any thought to amending the regulation concerning the granting of licences to new fishermen?

Mr. Davis: Mr. Speaker, I think my previous answer also applies in this case.

FARM MACHINERY

REQUEST FOR INTERIM ACTION TO HALT COST INCREASES

On the orders of the day:

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I wish to direct a question to the Minister of Agriculture or his parliamentary secretary. In view of the reported delay in the finalization of the Barber commission report on the price of farm machinery, is the government contemplating any interim action to stop the rise in the cost of farm machinery?

Mr. E. F. Whelan (Parliamentary Secretary to Ministers of Fisheries and Forestry): Mr. Speaker, may I take that question as notice?

SHIPPING

CHURCHILL—INQUIRY INTO EXTENSION OF SEASON

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, in view of the fact that the other day the Minister of Transport said he would be looking into the report on the possibility of the extension of the shipping season at Churchill, may I ask the Acting Minister of Transport whether that report will be made public.

Inquiries of the Ministry

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, there has been continuous examination of the extension of the Churchill shipping season, and there have been investigations, particularly into new ice breaking techniques which would enable the port seasons to be extended.

Mr. Korchinski: Will these reports be made public or will they be secret documents for the department's own use?

[*Later:*]

Mr. Korchinski: Mr. Speaker, in the absence of the Minister of Transport, and in view of the fact that we were unable to obtain a reply from the acting minister, will the right hon. Prime Minister undertake to consult with someone in the department to determine whether there is a report on a possible extension of the Churchill shipping season, and whether this report will be made public?

Right Hon. P.-E. Trudeau (Prime Minister): Surely the acting minister attempted to reply earlier, Mr. Speaker.

An hon. Member: He attempted; that's right.

Mr. Trudeau: We all make attempts. You sometimes attempt to ask questions.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would not rise at this time except for the fact that the Prime Minister made a point of this matter. Let me say that the Minister without Portfolio did not answer the question that was asked. He may have answered another question but I suggest that ministers may refuse to answer questions if that is their wish, and that is their prerogative, but should not purport to answer questions that have not been asked.

Mr. Richardson: Mr. Speaker, I understood the question that was directed to me was whether the report in respect of Churchill would be made public. I have not had an opportunity to see this report and until I have had a chance to read it I would reserve judgment. I do not believe there will be any reason that it should not be made public.

HEALTH AND WELFARE

PROTECTION OF RIGHTS OF THALIDOMIDE CHILDREN

On the orders of the day:

Mr. Judd Buchanan (London West): Mr. Speaker, this question is for the Minister of

National Health and Welfare. Since the parents of only a few of the thalidomide children born in Canada have launched actions or secured settlements from the manufacturer of the drug—the principle used in the settlements being that of providing "a living wage for the rest of the children's lives"—would the minister undertake to draw this fact to the attention of all the parents of thalidomide children in Canada, so they can take whatever steps are necessary to secure their children's rights?

Mr. Speaker: Order, please. I assume the hon. member is making a representation to the minister, which I presume has been noted.

BILINGUALISM AND BICULTURALISM

APPOINTMENT OF CO-CHAIRMAN OF ROYAL COMMISSION

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the fact that the Prime Minister told the house when answering a question put to him on September 19, nearly three weeks ago, that this appointment would be made shortly, and in view of the great deal of work that still has to be done by the royal commission on bilingualism and biculturalism, is the Prime Minister now ready to make an appointment in place of the late Mr. Laurendeau?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I am glad to have the opportunity to give this answer to the hon. member. I was not sure whether I should announce it in the way of an answer to his question or perhaps by way of a press release. I am glad the question has come at this time. Mr. Jean-Louis Gagnon, who was a commissioner, has been asked to take on the duties of co-chairman with Mr. Dunton, and we have asked Professor Andre Raynauld of the University of Montreal to take on the duties of Mr. Jean-Louis Gagnon.

Mr. R. N. Thompson (Red Deer): A supplementary question, Mr. Speaker. Could the Prime Minister inform the house whether it is the intention of the bilingualism and biculturalism commission to continue its work according to the original terms of reference, or will its work be terminated in the not too distant future?

[Mr. Buchanan.]

Mr. Trudeau: Mr. Speaker, it is continuing its work under the original terms of reference. It does have to come back to the government at set dates, I believe, in connection with its project. Every time the commission comes to us with a request for a delay we have to decide whether we shall agree to a further extension of time. We have indicated, however, that we would like to see the work terminated as soon as possible.

GRAIN

REPORTED INVESTIGATION OF SALES ABOVE QUOTAS

On the orders of the day:

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. However, in his absence because of the urgency of this matter I would like to direct my question to the Minister without Portfolio, the hon. member for Saskatoon-Humboldt. Has the minister received a number of reports from Alberta and other western provinces of farmers who have allegedly sold grain over their quota? If so, can he say whether such cases are being investigated by the R.C.M.P. and whether it is the intention of the government to prosecute, in view of the increasingly desperate situation of the farmers in these areas?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I will take that question as notice.

PENSIONS

REPORTED REFUSAL TO ACCEPT CERTAIN PLANS FOR REGISTRATION

On the orders of the day:

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I wish to direct a question to the Minister of National Revenue. Has the minister issued a directive within the last ten days declining to accept for registration pension plans primarily designed for the benefit of shareholders and their families?

Mr. Speaker: Order, please. I suggest that this question might be placed on the order paper or, if the hon. member so wishes, discussed at the time of adjournment.

AGRICULTURE

INQUIRY RESPECTING ADMINISTRATION OF P.F.R.A.

On the orders of the day:

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I have a question for the Minister of Forestry

and Rural Development, but in his absence perhaps the Prime Minister could inform the house and western Canada whether the administration of P.F.R.A. comes under the jurisdiction of the Minister of Forestry and Rural Development, or is the government dropping this whole project?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, as acting minister I propose to take notice of this question and bring it to the minister's attention for reply tomorrow.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise on a point of order. Despite the fact that the rules do not so provide, what we are seeing now is a sly and surreptitious method to compel members to give notice when they do not have to do so.

Some hon. Members: Hear, hear.

HIGHWAY SAFETY

LEGISLATION RESPECTING AUTOMOBILE AND TIRE SAFETY STANDARDS

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in the absence of the Minister of Transport, who is supposed to be here today and is not, may I direct a question to the acting minister, who is supposed to be here and is. In view of the estimate by the Canada Safety Council that between 65 and 75 people will die in highway accidents over the coming week end, can the minister say whether the government will be bringing in legislation at this session of parliament regarding automobile and tire safety?

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, I naturally share the hon. member's concern about the number of highway accidents. I would like to assure him that the Department of Transport is taking some action in this matter. At the present time we are holding a competition to fill the position of director of the auto safety office. This will be a section of the Department of Transport, which was established by this house in the last session. As soon as this appointment has been made, which should be within at least the next two months, the traffic safety office will be in operation.

Mr. Ed Schreyer (Selkirk): A supplementary question, Mr. Speaker. I should like to ask the Acting Minister of Transport if he can say whether the government is keeping under continuing review the allegations that the auto industry is charging for its safety devices a price out of proportion with the cost of the added safety features on cars.

Mr. Richardson: Mr. Speaker, all matters pertaining to safety will be under review.

EXTERNAL AID

NIGERIA—SUGGESTED LEASING OF AIRCRAFT TO RED CROSS

On the orders of the day:

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I have a question I should like to direct to the Prime Minister. First of all, is it a fact that our humanitarian efforts to assist the people of Nigeria and Biafra are frustrated by the technicality of not wanting to interfere in the internal affairs of another nation? Second, if this is true, would the government consider leasing aircraft to the International Red Cross for a nominal sum, in order to provide transportation facilities to deliver desperately needed food to the people of Nigeria and Biafra?

Mr. Speaker: Order, please. This is, of course, a very important matter and I hesitate to intervene, but certainly the question is not asked in the proper form, particularly the first part of the hon. member's question.

SPORTS

HOCKEY—STATEMENT ON PROPOSED TASK FORCE

On the orders of the day:

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I should like to take this opportunity to answer a question posed yesterday by the right hon. member for Prince Albert, concerning whether a task force had been set up to look into the question of the control exerted by professional hockey over the lives of young Canadians. I would advise the right hon. gentleman that a task force was set up on August 2 last composed of Dr. Harold Rea as chairman, Dr. Paul DesRuisseaux and Nancy Greene. It was to go into the definition of amateur and professional sport and particularly the effect of professional sport on amateur sport. It will most emphatically be going into this whole question of the control and effect of professional hockey on the lives of young Canadians, to which the right hon. gentleman referred.

Inquiries of the Ministry

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker, in connection with this task force. I ask the minister whether evidence is being taken regarding certain contracts that are entered into with youth in our country binding them far and beyond anything that is within the legal definition of responsibility. Aso, is the task force charged with making recommendations to prevent the National Hockey League operating in that connection and doing things which have all the appearances of being a monopoly without control?

Mr. Munro: Mr. Speaker, this is one of the very reasons that the task force was set up in the first place. It is expected to report at the beginning of the year.

Mr. R. Gordon L. Fairweather (Fundy Royal): A supplementary question, Mr. Speaker. What is the government doing with the last report it got on this very subject, which was tabled in January of 1967?

Mr. Munro: Mr. Speaker, that report, as I understand it, was from the fitness and amateur sport council and there were differences of opinion with respect to the conclusions reached in the report.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I should like to ask the right hon. Prime Minister whether he can assure the house and the country that the results of tests in chemical warfare at Suffield, Alberta—Operation Vacuum—are not intended for use in the war in Viet Nam.

Mr. Speaker: Order, please. I should think that question might be placed on the order paper.

Mr. Walter Carter (St. John's West): Mr. Speaker, I have a question for the right hon. Prime Minister in the absence of the Secretary of State for External Affairs. Is the government aware of any plan on the part of the United States government to phase out their base in Argentia, Newfoundland?

Mr. Speaker: Order, please. The question should be placed on the order paper.

[Mr. Munro.]

[*Translation*]

EXPO '67

SUGGESTED REDUCTION IN MONTREAL SHARE OF DEFICIT

On the orders of the day:

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, my question is directed to the hon. Minister of Industry, Trade and Commerce, who is responsible for Expo; however, in his absence, I shall put the question to the right hon. Prime Minister.

Could he tell the house whether he has received representations or suggestions from the authorities of the city of Montreal urging the reduction of the amount owed by the city of Montreal with regard to the Expo '67 deficit?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the minister concerned will be here tomorrow, and I am sure he will answer the question if he can.

Mr. Valade: Mr. Speaker, does the right hon. Prime Minister intend to agree to such a reduction if the city of Montreal asks for it?

Mr. Speaker: The supplementary question is hypothetical.

[*English*]

THE CANADIAN ECONOMY

RECOMMENDATIONS RESPECTING JOINT COMMITTEE AND RESEARCH UNIT

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask a question which I am sure the Prime Minister can answer. In view of the recommendations contained in the third and fifth annual reviews of the Economic Council of Canada calling for the establishment of a joint committee of the Senate and the House of Commons on economic affairs and the establishment of an independent economic research unit, will the Prime Minister indicate what action the government proposes to take on these recommendations?

Right Hon. P.-E. Trudeau (Prime Minister): Would the hon. gentleman repeat the last part of the question?

Mr. Stanfield: Will the Prime Minister indicate what action if any the government intends to take in respect of these recommendations?

Mr. Trudeau: I am told, Mr. Speaker, that already there is a standing committee of the House of Commons on economic affairs.

Mr. Stanfield: I should not like to suggest that the recommendations have not been thoroughly considered, but they were that a joint committee of the Senate and the House of Commons be established, and that an independent economic research institution should be formed.

Mr. Trudeau: The Leader of the Opposition should not have been so sure that I would be able to answer this question. I will have to consider it and provide an answer at some other time.

IMMIGRATION

DEPORTATION OF GREEK REFUGEES ENTERING CANADA ILLEGALLY

On the orders of the day:

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I should like to ask the Prime Minister whether it is government policy to permit Greeks who claim to be political refugees to stay in Canada, or are they to be deported if they enter Canada illegally?

Mr. Speaker: Order. The question as asked is not acceptable.

Mr. McCleave: Mr. Speaker, this question is of some urgency. Even though perhaps I phrased it badly, in view of other leniencies I have witnessed I think I should obtain an answer. These Greeks are being deported and they claim they are being sent back to their deaths in their homeland. I should like to know whether this country is offering political refuge to Greeks who enter here illegally and claim they are political refugees.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Manpower and Immigration to whom this question might be addressed will be here tomorrow.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Bell: Mr. Speaker, I should like to ask the Prime Minister whether the Minister of Transport is going to be here tomorrow, a day when all the ministers are supposed to be present.

Mr. Trudeau: Yes, Mr. Speaker.

UNITED NATIONS

INSTRUCTIONS TO CANADIAN DELEGATION RESPECTING CZECHOSLOVAKIA

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a very easy question for the Prime Minister which I know he will be able to answer. Has the Canadian delegation to the United Nations been instructed by the government to join France and the United States in calling for the withdrawal of Russian troops from Czechoslovakia?

Right Hon. P.-E. Trudeau (Prime Minister): I do not know, Mr. Speaker.

Mr. Hees: Or is the government hesitating in this regard because it is waiting for the countries surrounding Russia to make the first move?

Mr. Speaker: Order, please. Many members are seeking to ask questions and there are only a few minutes left. I suggest that the questions and the supplementary questions should be limited.

ARTS, LETTERS AND SCIENCES

REQUEST FOR GRANT BY FOLK ARTS COUNCIL

On the orders of the day:

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, on September 27 I directed a question to the President of the Treasury Board. Has he had an opportunity to discuss the subject matter of the question directed to him? This had to do with a revision or perhaps a review of the decision that was made in terms of supporting a request of the Canadian Folk Arts Council for a grant.

Hon. C. M. Drury (President of the Treasury Board): The answer to that question is yes, Mr. Speaker.

Mr. Alexander: I believe I asked two questions, Mr. Speaker, and I should like to know which question the minister has answered.

Mr. Drury: The answer to the first question is yes, Mr. Speaker, and the answer to the second question is no.

FISHERIES

SALT COD—INQUIRY AS TO DEFICIENCY PAYMENTS

On the orders of the day:

Mr. James A. McGrath (St. John's East): Mr. Speaker, will the Minister of Fisheries

indicate to the house and the country whether the government is contemplating deficiency payments on salt cod? If so, can we expect an announcement soon?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, we are currently making payments in respect of the salt cod carryover from 1967. Payments in respect of the 1968 catch are under consideration.

POLLUTION

INQUIRY AS TO AMENDMENT OF CANADA WATER ACT

On the orders of the day:

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I believe my question should be directed to the Minister of Energy, Mines and Resources or his parliamentary secretary. Can the minister give any indication to the house if and when he plans to implement a Canada Water Act in view of the fact that control of water pollution was referred to in the throne speech, and is of urgent importance to British Columbia and other areas across Canada?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): In the absence of the minister, who will be here later this week, Mr. Speaker, I shall take the question as notice.

Mr. Rose: Mr. Speaker, I wonder if at the same time the minister could also report any progress in the setting of Canadian standards of water pollution to include biological, chemical and physical aspects of the question.

Mr. Orange: I would be happy to bring this to the attention of the minister also.

HEALTH AND WELFARE

REPORTED DEPARTMENTAL REFUSAL TO ANALYSE ABORTION PILLS

On the orders of the day:

Mr. Paul Yewchuk (Athabasca): My question is for the Minister of National Health and Welfare. Is it a fact, as alleged in the brief presented to the royal commission on the status of women, that the Department of National Health and Welfare has refused a request to analyse in its laboratories various abortion pills feared dangerous?

Mr. Speaker: Order, please. The question as asked by the hon. member is not in order since he is asking the minister to confirm or deny an allegation. Perhaps the question might be placed on the order paper in another form.

[Mr. McGrath.]

EXTERNAL AFFAIRS

NIGERIA—TABLING OF REPORT OF OBSERVER MISSION

On the orders of the day:

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the Leader of the Opposition asked yesterday whether we would table the report of the observer mission in Nigeria so it might be made available to all hon. members. This report was not made to the Canadian government, but it has been made available to the government and also to members of the standing committee which began meetings this morning. With the permission of the house I will table this report. Actually there are two documents, the report of the observer mission and a covering note outlining the composition and terms of reference of this observer team.

Mr. Speaker: Has the Prime Minister leave to table the document to which he has just referred?

Some hon. Members: Agreed.

NIGERIA—USE BY RED CROSS OF CANADIAN AIRCRAFT

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, yesterday I asked the right hon. Prime Minister whether he had received a cable from the head of state of Biafra sent to the Secretary General of the United Nations and to heads of member states of the United Nations regarding allegations of acts of genocide. The right hon. gentleman undertook in reply to ascertain whether the cable had reached his office, and promised to inform the house today concerning any action he is contemplating in this regard.

Right Hon. P.-E. Trudeau (Prime Minister): Apparently a communication addressed to me by Colonel Ojukwu was received at our permanent mission in New York by registered air mail. The communication called upon us, as the hon. member indicated, to take action to prevent acts of genocide allegedly being perpetrated by the government of Nigeria. There has been no reply to this communication as yet, but this is part of our over-all policy of trying to avoid intervention in the political side of this conflict while trying to help as much as we can in the humanitarian side.

Mr. Lewis: I have a supplementary question. Can the Prime Minister inform the house whether the Secretary of State for External Affairs has had any more success in his quest for support to bring the matter before the United Nations? He may not have any report as yet, but I wonder whether he could inform us.

Mr. Trudeau: Mr. Speaker, I have no report as yet on the success of this mission but I do have a report, which I have just received, on the success of the minister in negotiating with the Nigerian commissioner for external affairs, who is in New York, on whether they would object to the International Red Cross using Canadian aircraft which we put at their disposal. These aircraft would be used to bring supplies to all parts of Nigeria and not only those parts under the control of the Nigerian government.

The answer was favourable. In this answer Dr. Arikpo, the Nigerian commissioner for foreign affairs, now says the federal government of Nigeria would have no objection to the Red Cross using a Canadian aircraft and crew in its relief operations anywhere in Nigeria, including flights into the area under rebel control, under the existing arrangements and understanding between the federal government of Nigeria and the International Red Cross.

Some hon. Members: Hear, hear.

BUSINESS OF THE HOUSE

SUSPENSION OF PRIVATE MEMBERS' HOUR THIS DAY

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order relating to the program of business for today. In view of the fact that we have all been invited to a very important event at six o'clock, namely the hanging of the right hon. member for Prince Albert (Mr. Diefenbaker)—

Some hon. Members: Oh, oh.

Mr. Knowles (Winnipeg North Centre): —I wonder if it might be the wish of the house that we suspend private members' hour for this day.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, under the provisions of the standing orders the private members' hour would be suspended in any case in view of the fact that we are calling today the resolution preceding the Post Office Act amendments.

Business of the House

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I rise on a point of order with regard to today's business. In view of the urgent need for the farm improvement loans legislation and the co-operation which this side of the house is prepared to extend to the government, I wonder if the house leader would not rather continue with this legislation today, particularly since we have moved to the committee stage and it is quite possible that the legislation could be passed today. This legislation is urgently needed in all parts of Canada, and most particularly in western Canada.

Mr. Macdonald (Rosedale): Mr. Speaker, in an attempt to make orderly arrangements for the business of the house we agreed last Thursday to deal today with the Post Office Act resolution. It seems to me that if we are going to deal with the business of the house in an orderly fashion we should proceed as arranged. If a spirit of co-operation exists now I am sure it will also exist tomorrow. I shall count on the support of the hon. member for Crowfoot on this particular bill.

MESSAGE TO THE SENATE

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

That a message be sent to the Senate to acquaint Their Honours that this house will unite with them in the formation of joint committees of both houses on the subjects of the printing of parliament, the direction of the library of parliament, and that the members appointed on each of these committees to act on behalf of this house are those listed in the second report of the special committee which has been submitted today.

Motion agreed to.

POST OFFICE ACT

AMENDMENTS AFFECTING RATES, ADMINISTRATION, SAVINGS BANK

Hon. Eric W. Kierans (Postmaster General) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Post Office Act to abolish the local delivery rate on letters for delivery within the postal area in which they are posted and to increase by one cent the postage rates for letters posted in Canada for delivery anywhere in Canada; to provide an amended rate structure for newspapers and periodicals; to provide for certain changes in connection with the administration of the Act, more especially in relation to tenders and contracts; and to provide for the discontinuance of interest payments on deposits in the post office savings bank after December 31st, 1969, and for

the crediting after that date to the Receiver General of small deposits in the post office savings bank and unclaimed for thirty years.

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

Mr. Kierans: Mr. Chairman, it has been said many times that Canada has one of the finest postal systems in the world. Nothing in my brief experience as Postmaster General would lead me to any different opinion, and my first obligation and indeed privilege is to pay tribute to the more than 48,000 men and women who operate the system and provide the people of Canada with a postal service through more than 10,500 postal installations from coast to coast. Their efforts are certainly worthy of the thanks of every Canadian.

Such a tribute to our post office employees, however, would be meaningless if it were not accompanied by a resolve to improve their working conditions, enhance employee job satisfaction and open up opportunities for advancement, self-improvement and fuller personal development. These are the elements that an employee looks for in a just society and by which he will judge that society.

• (3:30 p.m.)

The Post Office Department has accomplished a great deal in this area, credit for which must go to my immediate predecessor, the hon. member for Longueuil. Most of the 48,000 public servants in the Post Office Department are now covered by collective bargaining. Greater security of employment increases confidence, invites participation and inspires loyalty and pride. Agreements recently concluded with the union will provide better working conditions of employment for the operating staff, approximately 28,000 employees. Contrary to the impression of some who were inconvenienced by the long postal strike, it is true to say, and I am glad to confirm, that the leaders of the postal union demonstrated during this period their sense of responsibility and respect for the law. That law in a just society must always give to all groups the power to fight for and to defend their rights. A just society, Mr. Chairman, depends on a thriving economy, for only an efficient, expanding economy can afford the costs of rectifying injustices, improving distributions of wealth and incomes and hope to reduce the burden of poverty.

The institutions of such an economy and such a society must be efficient and thriving.

[Mr. Kierans.]

The post office is such an institution. Our function is communication, the transmission at low cost of items of business and personal information from one place to another. In this function we complement, we duplicate, but to an increasing extent are being superseded by other systems of communication, telephone, teletype machines, telegraph, television, radio and the cloud that appears no bigger than a hand, satellites.

Nearly all of the important innovations in communications are taking place outside the post office and indeed outside the existing governmental structure. What effect, for example, will such developments as television-telephones, telephones linked to computers for information retrival or even the payment of household bills, newspaper delivery direct to homes via television or teletype, what effect will these technical possibilities and soon to be economically feasible changes have on the traditional function of the post office, the transmission of information? These developments are taking place outside the post office and outside of the government; rather, I should say they were taking place outside of the post office and outside of the government. For now we are to have a department of communications of which the post office will be an integral part. The post office will have, therefore, at its disposal in the future the best scientists in the research branch of the department of communications to enable it to meet the challenge of change. This has already been agreed upon by the officers of the post office and officers-designate of the new department.

The creation of the new department is clear evidence of the government's belief that for a just society we must have not only a thriving economy but modern institutions, institutions aware of today's realities and alive to tomorrow's possibilities. Clearly, the post office was viewed by the Prime Minister, when he proposed this reorganization, as a problem of function, of communications in a rapidly changing industry, not as the perennial problem of an institution in political, financial or administrative difficulties.

It is a new view, a new idea that must be accepted by all of us. The difficulty will lie, I suspect, not so much in accepting these new ideas, if I may paraphrase Lord Keynes, but in escaping from the old ones. The Post Office Department is faced with a great many problems. One of the most serious is the mounting cost of its own operations departmental forecasts indicate that on the basis of present fees and postage rates the post office accounts

will show a deficit of $99.5 million in the current fiscal year. At the same time there is a pressing need to improve services, to modernize and extend the facilities and improve working conditions, all of which will require increased expenditures.

It is evident, therefore, that action must be taken to restore a reasonable cost-revenue relationship, and to provide the funds necessary to ensure that our traditional standard of service will be maintained. Hon. members of the committee are aware that I have already taken action to adjust the rates charged for those classes of mail which, under the Post Office Act, the Postmaster General may regulate. It is expected that these rates will result in revenues equal to the costs of handling the classes of mail concerned.

Some studies have begun, and others are pending, which will search out ways and means of reducing costs, improving administration and productivity, and of achieving the most effective staff relations. Broadly speaking, these actions comprise what the Postmaster General can do on his own authority. As examples I may cite the closing of the postal savings bank, the move to a five day week, and the decision to make those who use our money order system pay the reasonable costs of operating that system. Many other changes leading to greater efficiency are also being considered. The public, Mr. Chairman, will not forgive us if we seek to balance our budget solely by rate increases. Our responsibility is to examine all procedures, all traditional methods, to gauge their worthiness and present efficacy. Cutting out the fat, the outmoded, is painful but it is also necessary.

This brings me to the bill to be considered by this house. Its major items have to do with adjustments to the rates fixed by statute with respect to letters, newspapers and periodicals, that is, first and second class mail. The present rates for local and out of town letters took effect on April 1, 1954. In the 14 years since that date, costs of all kinds have increased sharply, including the cost of operating the postal service. Our cost analyses show that the cost of handling letter mail now exceeds the revenue derived from it. Moreover, it has been found that the cost of handling letters for local delivery, commonly known as drop letters, has increased at an accelerated rate, so that the average cost of handling a letter mailed for delivery in the same locality is not noticeably less than that of a letter delivered through a post office other than the one at which it was mailed. We are no longer justified, therefore, in maintaining a lower rate of postage for local letters. Canada is virtually the only postal administration in the world providing unlimited local delivery of letters at a lower rate of postage, and it is clear that we cannot continue to do so in the light of mounting postal deficits.

• (3:40 p.m.)

The proposed rates applicable to letters mailed in Canada for delivery anywhere in Canada are six cents for the first ounce or fraction and four cents for each additional ounce or fraction. I might add that we have in mind in connection with these increases a *quid pro quo* whereby all letter mail posted in Canada for delivery in Canada will be carried by air where this will expedite delivery. The committee is aware that Canada pioneered this "all-up" service for letters up to one ounce in weight in 1948, an innovation by the Liberal government of the time. The removal of the present weight limit of eight ounces, which was established in 1954, will no doubt be welcomed by the business world.

The proposed changes respecting newspapers and periodicals are intended to accomplish two main objectives: first, to take a long step toward assuring that this class of mail pays its fair share of the operation by substantially increasing the rates of postage applicable to it; second, to amend and clarify the terms and conditions under which the statutory second class rates apply. These changes will provide a substantial amount of additional revenue and a more logical basis for determining entitlement to second class privileges.

The remaining changes in the Post Office Act are intended to clarify the authority and responsibility of the Postmaster General with respect to some aspects of departmental administration, and to facilitate the adjustment of transportation arrangements so that we can keep up with changing conditions.

In addition, two amendments are sought in connection with the winding up of the Post Office Savings Bank. As the committee is aware from the announcement recently made, the government has decided to discontinue this service because of the steady decline in the number of depositors, the amounts deposited and the total balance on deposit. It has been evident for some time that there is little need and almost no demand for this facility. It is no part of a just society to pay 2½ per cent interest to depositors when they can more than double their income by investing in Canada savings bonds.

I believe it is unnecessary for me to say more by way of introduction. I would, however, assure the committee that I will do my utmost to answer fully and frankly the questions of the opposition during the clause by clause consideration of the bill. The department is quite prepared to lay before this house the most detailed information on its operations, with the hope of receiving the constructive criticisms and suggestions of all members interested in a postal service that will provide a standard of excellence that will be the pride of all Canadians.

This is the challenge before this committee, Mr. Chairman. I would remind hon. members that no substantial legislation has been passed affecting first class rates since 1954. No substantial legislation has been passed affecting second class rates since 1951. The question before us is: Are we to bring the post office into the modern era as a living, changing force, or are we to turn back the clock to 1951 and 1954 and condemn the department to exist in the strait-jacket of outmoded rates, regulations and procedures? That is the choice before us.

Under our parliamentary system, the government proposes but this house disposes. I would not have it otherwise. With every confidence in the wisdom and judgment of all members of the house, I move the adoption of this resolution.

Mr. Macquarrie: Mr. Chairman, I must begin by extending my congratulations to the minister on his appointment. I also wish to congratulate him for translating his great ability and immense energy to the national arena of governmental operations. I have been here for only 11 years but he is the eighth Postmaster General that I have seen sitting in that place. I am not going to suggest what happened to most of the others, whether they were promoted, demoted—

An hon. Member: Or outmoded.

Mr. Macquarrie: Yes, as someone suggests, or outmoded. I congratulate him too on being the minister designate of a new, interesting, romantic department, that of the department of communications. He could go down in history as the man who brought us into the space age up in the stratosphere and slowed the movement of mail down on the ground. This may be an interesting achievement.

I took note of what the minister said about the leaders of the postal unions and I will not take issue with him on that. I will say, however, that the government's handling of the recent postal strike was deplorable and incompetent beyond belief. A French philosopher once said that to govern is to foresee. It would appear that in reference to the postal strike everybody in the country saw it coming except the government, which when it was far too late for possible acceptance proposed a settlement at the last minute.

The minister has had wide latitude in this debate, and this is the general pattern. I should like to say that it would be impossible for us to discuss the projected or requested increase in rates, if I may use more precise phraseology, without referring to the already announced impending diminution in service. As he says, the house does dispose and he does propose. I for one, Mr. Chairman, am not disposed to congratulate the minister of communications on his suggestion that we are going to reduce this service to the public. I hope that I will not, in his fine phrases in the final paragraph of his dissertation, be accused of doing such dreadful things as turning back the clock, putting people in strait-jackets and turning the horse and cart around the wrong way. The minister painted at that point a terrible picture of potential opposition.

This department is tremendously important and is one of the oldest and most vital public service institutions. I suppose that the post office has more meaning to the average Canadian and to more Canadians than any other department of government and probably any other institution of government. As the Glassco commission pointed out, since confederation the post office has seen little change in its function, and a very simple function it is—the handling of the country's mail.

• (3:50 p.m.)

I jotted down some words from the minister's statement. He used these words: "transmission at low cost of items of communication from one place to another". That was the minister's particular phraseology. The Canada Year Book describes it this way:

> —the basic tasks of the Canadian postal service are to receive, convey and deliver postal matter with speed and security.

I emphasize the word "speed", to which I shall return later.

I am not one who has only uncomplimentary remarks for the Canadian post office. There have been improvements and developments of which I am very proud. We are all

pleased with the new developments in automated equipment. In some fields the Canadian post office has pioneered. Our all-up service, introduced some years ago, put the department in the forefront of postal departments. There are many reasons for pride in our post office, although there are many reasons for concern.

I should think that a thoroughgoing study might now be in order. It should be a study that is not geared to some particular conclusion. It should not be a study of whether a crown corporation is a good idea. It should not be geared to the working conditions of certain types of employees. It should not be geared just to the question of balance of revenue and expenditure. I say that a thoroughgoing, exhaustive study of this important public service would be in order.

Perhaps some of the drastic changes which the minister has decided upon should not have been decided on until after the study. Changes might reasonably have followed rather than preceded any such study. I would not suggest that the minister is the type of person whose motto is, "Don't confuse me with facts, I want to make a decision." All the same I am convinced that we have not yet had a thoroughgoing study of the Canadian postal service.

Is the financial situation so drastic that it requires the serious increases envisaged in this resolution? That is the important case to be made out and I am convinced that the case has not been strongly made. I think the minister's statement was most inadequate.

Mr. Stanfield: Hear, hear. I agree.

Mr. Macquarrie: There are many explanations which should have been but were not given.

Mr. Stanfield: There were no explanations.

Mr. Macquarrie: I wish to quote some words from the minister's 1968 report. I am not the financial genius he is, but these words appear in the report:

> A quick review of past reports would seem to indicate the financial position of the Canada Post Office has gone from one of modest surpluses to one of large deficits. This is not so. The accounting procedures from 1963-64 take into consideration sizeable costs previously assumed by other government departments on behalf of the Canada Post Office. Such costs cover accommodation, charges for accounting and cheque issuing services, employer contributions to the superannuation fund, the Canada Pension Plan, the surgical-medical insurance plan, and workmen's compensation. From 1963-64, the Canada Post Office has also taken credit for the services provided to other government departments; these services do not compensate for the costs assumed from the other departments. The recording of these figures by the Canada Post Office gives an accurate picture of the financial situation as it is today, but renders it difficult to make a fair comparison with the years prior to 1963-64 when all costs and revenues were not considered and most surpluses were recorded.

I suggest that the minister read that report and that he say to himself: I am not sure as to the financial position of the Canadian post office; we must have further elucidation of this situation before we impose these new cost increases on the public. He ought to ask himself, is the Post Office Department being improperly charged for deficits which ought to be more widely and broadly assumed? What aspects of postal operations are the serious offenders in regard to going into the red, and which are in the black? Are the proper groups of patrons being assessed their due proportion of responsibility for uneconomic functions of the Post Office Department? I suggest that these are questions which must be answered. Whether the post office record is as red as it is sometimes dyed, or precisely where the uneconomic operations are, is but one line of inquiry.

There is something even more important than that that we ought to consider. I think we must look at the basic assumption, which has recently received prominence, that this department must pay its way, that the post office must keep in the black, that it must soak its patrons enough to avoid any charge on the general revenues of the country. To exalt such an idea into a principle of government or administration, is in my view a preposterous and unfair assumption. Why should the post office, among all departments, pay its way? Is there some unwritten law, some lofty principle, which says that the users of the mails must balance the post office budget but that the users of the airways, the sea lanes or the rail lines need not do so? Can we in conscience and equity say to the post office: Pay your way, hike all your rates, and then say to the C.B.C.: Come to us if you need a few more millions.

Some hon. Members: Oh, oh.

Mr. Macquarrie: Should freight and passengers be carried on a subsidized service and parcel post not be given any assistance? Does this sound reasonable? Is this fair treatment of the Canadian public? Naturally we all want government departments to balance their budgets. I hope that by saying this I do not sound old-fashioned or unjazzy. It is a

consummation devoutedly to be wished. But since it has not been attained, by what right do we pick on that long established public service, the Canada Post Office. Why impose upon post office patrons a reduction in service? The closing of post offices for a second day out of seven cannot but curtail services, slow the passage of mail and generally reduce the usefulness of the Post Office Department to the people of this country, to the people who own it.

Some hon. Members: Hear, hear.

Mr. Macquarrie: I say to the minister, the matter is not nearly as simple as he made it appear when he spoke about 80 per cent of business being done on five days of the week. I say that this change will impose a serious problem on many established businesses at the very same time that the increased rate will present those businesses with other difficult problems. The public, the business community, the patrons of the post office, in that way are getting a double whammy.

The minister has made no case for Saturday closing. His brief explanation of a few weeks ago was as inadequate as it was unwelcome. I have read many reports of experts who have examined one phase or another of our postal operation, reports of experts such as those with the Glassco commission, but I have yet to read any report which recommended as a solution to any problem the closing of post offices on Saturday. Indeed, a study of commercial operations in this country will indicate that Saturday is one of the busiest days of the week. There has been a change in recent years in the week end business pattern. I can envisage a situation where one could walk down Sparks Street mall on a Saturday and find all business establishments open except the post office.

• (4:00 p.m.)

This is not to say I am suggesting that all postal workers should remain, or become, six-day workers any more than employees of chain grocery stores are today. I condemn in the strongest terms this arbitrary diminution of service to the public. I do not think you enhance or advance the just society by saying: You will get mail on just five days a week.

There are many Canadians who derive no great satisfaction from the institutions of government. There are many Canadians in humble circumstances who receive from their government very little which means more to them than the rapid and efficient delivery of mail whether it be in connection with business, whether it be in the nature of communications from their loved ones, or what have you. In our mobile society the curtailment of rapid communication by letter is something I find hard to accept. I find it even harder to accept the suggestion that in some way we advance the just society by so doing.

I was impressed the other day by an indication of lack of careful thought which has gone into this proposal. In answer to a question a brittle reply was given that the rural carriers would, of course, have their returns diminished to five-sixths of what they were. Mathematically, this sounds good. But what in the name of goodness will happen to the men whose already far too small earnings will be so diminished? Will they find an alternative job to make up for the decline in their incomes, and will they find one just for the now free Saturday? To make this kind of brittle, callous calculation indicates there is probably a good deal less compassion in the just society than we had hoped for.

I say: Let the mail go through. If a case can be made for increased charges there is no one so unreasonable as to suggest they must be opposed. But we are now faced with a situation in which the service will be diminished and the cost increased. Surely the post office is not in so bad a situation that both these things must be visited upon the people. I suggest to the minister that he take a little more care and go into this question a little more thoroughly, that the public be told more about what is to be done to their ancient institution, the post office. I should like the house and the committee to be told a little more about these things.

In my opinion—and my hon. friend from Oxford demonstrated today that it is his view also—this is a most unpopular move. In my opinion the people of Canada do not want their postal service curtailed as the minister has suggested. Canadians are concerned and many more are uncertain. Therefore I would strongly suggest that this proposed measure be referred to a committee of the house, either a standing or special committee, where witnesses may be heard, where people in the newspaper field can put forward their case plainly instead of expressing their heat to departmental field officers, where spokesmen for other businesses which are geared to the mail system as it now exists may explain their attitude, where the whole matter may be discussed and fully considered and where many of the matters not discussed by the minister today may be carefully canvassed.

This is a serious step, Mr. Chairman. It is one which involves the diminution of service, one which should not be made lightly after a casual announcement by a minister, however able he may be. I should like to hear from representatives of the church press who have written to us outlining their special problems. I should like to be given more information on the publications issue which was referred to by the O'Leary commission and, in my opinion, never adequately dealt with. I should like to hear of any difficulties likely to be encountered in connection with the transmitting of bills of lading in relation to freight shipments. In short, there are many ramifications to this proposal. Severe disruptions may occur and there are a multitude of questions to be asked, all requiring explanations.

I believe the hon. member for Winnipeg North Centre was correct the other day when he said the Post Office Act should be amended so that parliament would have more control over postal rates than it has at present. We are not afraid of change, but the kind of change which reduces the usefulness of a great service to the public and places the public at a disadvantage is not the kind of change we welcome.

We are not averse to modernization. We want the post office workers to enjoy the best possible conditions. We want the mail to go through more swiftly, not more slowly. If the minister can tell me that the mail will go faster by languishing for a couple of days during the week I am open to conviction but he will have to be far more eloquent than he was today. I think this is a subject which requires further ventilation, In my view the minister will be making a great mistake if he rushes through with this legislation, and we who are responsible to the people, the patrons of the post office, would be remiss in our duty if we did not call upon the hon. gentleman to explain further and justify these proposals. An avenue for useful service in this regard would be to arrange for a committee to receive this bill at the proper stage and go through it carefully, because there is a great deal at stake in the operation of the post office, an agency which provides a most intimate and valuable service to the Canadian public.

Mr. Mather: Mr. Chairman, both as a member of the New Democratic party which holds that public enterprise can be just as efficient as private enterprise, if not more so, in a number of areas, and also as a former employee of the postal service, I derive some satisfaction from taking part in the discussion this afternoon.

I wish to say at once that I agree with the Postmaster General in one respect at least. I have in mind his statement that the Canadian postal service is one of the best, if not the best, in the world. I would only qualify this by saying "it was" rather than "it is". I am not so sure it will continue to be the best under the proposals the hon. gentleman is putting forward. At the present time, however, as has been the case for many years, the postal service of Canada is an extremely good one. For example, it is something to consider that every 12 months it handles and distributes some five billion pieces of mail, the vast bulk of which is delivered within 24 hours without error.

Before going on to consider some of the details of the legislation, may I compliment the officers and employees of the postal service of Canada who in my opinion were for many years downgraded, overworked and underpaid and who now, through collective bargaining, are making worth-while gains in wages and conditions.

• (4:10 p.m.)

In the last parliament the proposal of the then postmaster general to increase the ordinary letter rate for locally mailed and delivered letters from four to five cents and the rate for onward or air mail letters from five to six cents was defeated. As a matter of fact the government was defeated on that issue but it did not take the defeat as one that required its resignation. In fact, it has not taken that defeat as a reason to give up its general plan to boost the mail rate for the ordinary letter writer.

What has happened is that the government is not only planning to increase the postal rate for the ordinary letter writer, that is, the first class mail consumer, but it is also asking that consumer to accept less service and pay more for it. We are being asked to condone a hike from four cents to six cents for locally mailed letters, from five cents to six cents for onward delivery letters, and to accept a reduction in delivery service from six to five days a week. No comparable country in the world has that kind of substandard delivery, dropping down to five days a week, and there is no reason why Canadians should be asked to live with it. In our party we are not going to consent to that plan.

The mail service of Canada is like the health, education or broadcasting services. It

is an essential public service organized by the public for the public's use. As far as it may be feasible we believe that the system should pay its way, and I point out that this has been done for many years by first class mail and the people who use it, the ordinary letter writers. Where it has not been paying its own way has been in regard to second class mail, that type of mail published to make a profit and including periodicals and general printed matter. This class has piled up millions of dollars of deficits over many years, for which the users of the ordinary first class mail, along with the taxpayers in general, have paid.

The public accounts committee of this house only last year presented a report which contained the following unanimous recommendation:

> The committee first drew the matter (that is, of the second class mail) deficits to the attention of the house in 1958, ten years ago, and, while minor changes have been made the annual loss has continued to increase and the committee is of the opinion that sufficient consideration has not been given to the solution of this problem. It considers it essential that the Post Office Department of parliament find ways and means immediately of covering the loss of the second class mail . . . without this being done at the expense of other classes of mail.

Similar recommendations have been made by other committees during the last seven, eight or nine years, and I make a similar recommendation today.

Why should the first class mail users, the ordinary letter writing consumers of Canada, pay for profit-orientated mail which does not pay for itself? Why should they be asked now to shoulder an increase from four cents to six cents for local mail and from five cents to six cents for air mail, when the main reason is a delivery deficit which stems from carrying freeloading mail, and when there is an imbalance to Canada's detriment in the carriage of foreign mail in Canada against the amount of Canadian mail carried, say, in the United States?

It is said that the bulk of the first class ordinary mail—I have heard one estimate put it at about 80 per cent—is really just business mail, bills from hydro commissions, telephone companies, department stores, oil corporations and the like. If this is so and if the cost of sending out their bills is going to be increased by 50 per cent as now proposed, which by my figuring would be in the order of $14 million a year, does anybody think that these business concerns are going to absorb that multimillion dollar cost? Certainly the consumer would not think so. His experience has been that any time an increase in a tax or other cost is imposed upon business that increase is passed on to him.

Mr. Kierans: Mr. Chairman, on a point of order, did the hon. member say that the drop letter rate was going to cost about $17 million?

Mr. Mather: I said that by my figuring the net increase would be about $14 million.

Mr. Kierans: Eight and a half million dollars.

Mr. Mather: The estimate of the Postmaster General is $8½ million. I said $14 million. If I accept his figure I still say that the corporations of Canada are not going to shoulder an $8½ million increase. They will pass it on to the ordinary letter writers. In addition, when the ordinary letter writer mails his cheques in payment of the accounts of those businesses he will pay an extra two cents. It is not the business corporations of the country that will be hurt by this increase.

We are now told that major increases are planned for second and third class mail to make a start on reducing the deficit on profit orientated mail. If that type of mail is going to be reformed cost-wise—and one estimate says that 75 per cent of its cost has been subsidized by the ordinary letter writers and the taxpayers—there will need to be an immense increase in its rates. Meanwhile, we say, leave the first class mail alone.

I have here a little item headed, "The Short Life And Times Of Postmaster Generals." A previous speaker has alluded to the fact that we have had a great many of them. By my figures we have had eight of them in the last eight years, including Hamilton, MacLean, Fairclough, Denis, Nicholson, Tremblay, Côté, and now Kierans. I think it has been too long a revolving-door sort of position. Neither the Postmaster General nor the postal service has had time to get to know each other in order to function as a coordinated team with businesslike goals.

There is some talk that we are going to have a zip code system in our mail service like they have in the United States. I think that would be a good idea, but if we get a zip code in Canada I think it should include a special category for former postmasters general, particularly those who have lost their zip.

I have a few questions that I would like the minister to note. How much imbalance, in

dollars, is caused by our reciprocal agreements with other countries, notably the United States? What is the cost of handling bulk mail, such as money, comparing the post office rate with that of private security services? By how much do the taxpayers or the ordinary first class mail users subsidize the special delivery service, which under the minister's proposals I believe will be stepped up since regular delivery is to be reduced from six days to five days a week? Why is there a different rate for second class mail between the Americas, and between Canada and Great Britain? I believe that to send a paper from Canada to Britain the cost is double what it is to send a paper from Canada to the United States. I would like to get the actual figures on this. What percentage of second class mail delivered in Canada originates from American publications or from wholly owned American subsidiaries in Canada? Finally, what was the value of printed matter imported into Canada in the last ten years and carried by our post office without remuneration under the terms of the universal post office convention?

In conclusion, Mr. Chairman, I summarize the position of my party with regard to these proposals. First, we say, let the first class mail alone. Second, we also propose that the deficit, which all along has been caused by subsidizing private business mailings, should be eliminated. Third, we ask that the government renegotiate the international treaty which has involved us in losses and bring about parity with the United States postal service in order that our consumers will not be subsidizing non-Canadian competitors. Fourth, we want an examination—it might be through a committee, a commission, or a special inquiry within the post office itself—of the various subsidies and charges borne by the postal service in order to bring out the facts and provide a clear picture showing who pays for what. Fifth, we would like a study to be made in depth of the reported advantages of turning the post office into a public corporation such as Air Canada, a crown company operated quite separately from itinerant postmasters general.

• (4:20 p.m.)

Finally, Mr. Chairman, we in this party would also like to see a further advance in the modernization to which the Postmaster General has alluded and which has already taken place to some degree in the postal service. We should like the procedures and techniques of the postal service brought in line with the era of technological production and distribution in which we are living. Some people say that the post office at this time faces a situation similar to that which the telephone companies faced a few years ago before they made their operations as automatic as possible.

Before resuming my seat, let me say that we in this party aim to do what we can to bring about in this department the best service to the most people in the shortest possible time. It is not in line with this philosophy that we should support the proposed increase in the first class mail rate or a diminution of the service to the users of first class mail.

[*Translation*]

Mr. Cyr: Mr. Chairman, a year ago the present Minister of National Revenue (Mr. Côté) who was then Postmaster General, introduced in this house a resolution which is very much like that introduced today by the present Postmaster General (Mr. Kierans).

I followed the debate on that resolution from the galleries, and I am very happy today to be able to support this resolution and to make a few constructive comments to the hon. Postmaster General with a view to improving mail service, particularly in areas far removed from the large urban centres.

When I worked in the office of the Postmaster General, I realized that the Canadian postal service is a very extensive operation. I met in this department employees who were always ready and willing to serve their country and to co-operate with the minister and senior officials.

As in any well-organized undertaking, the heads of this department are thoroughly informed about the operating costs and they are trying to hold the balance even between postal revenues and working expenses.

That is why on September 28, 1967, the hon. minister introduced in this house a bill designed to bring in annual revenues of more than $40 million. It is that same resolution that the opposition thought fit to turn down on November 28, 1967, thereby contributing to the increase of the deficit of the fiscal year ending on March 31, 1968.

For long years the department managed to balance its postal revenue and operating costs. The Canadian population was not increasing very rapidly. The volume of mail remained constant. Transportation and labour costs did not vary much. Because of these factors, it was possible to ensure well-balanced postal operations.

Consequently, the last increase in postal rates—as pointed out by the hon. minister a while ago—goes back 14 years, to the time when the department provided, at no increase in costs, air transport within Canada for letters weighing less than eight ounces.

But things have changed since. Today, changes occur more rapidly than ever.

According to the last figures of the department, postal revenue amounted to $337 million compared to expenditures of $404,300,000 for operating costs. This means, as indicated in the report, a deficit of $67,200,000, which the parliament will have to make good.

Canadian postal expenses will not go down. As I said, times have changed.

Each time the Canadian population increases by one, the Post Office Department must handle 240 more pieces of mail per year.

Mr. Chairman, at the present time the mail volume, still according to the report of the department, amounts to almost 5 billion pieces. And, according to the statistics, the Canadian mail volume increases by 5 per cent every year. This means that in 14 years from now, the mail volume handled by the Post Office Department will be twice what it now is; and that 10 billion pieces will be handled annually. One may rightly say that the figure is impressive.

In his resolution, the minister proposes to increase from 5¢ to 6¢ the rate on first class letters. Let us not forget, in this regard, that the 5 cents rate has applied for over 14 years. Yet, the cost of transport and other costs have increased since.

Now, if we expect Canadian posts to pay their own way, mail rates must be increased.

Some 15 years ago, Canadians could get a cup of coffee for 5 cents, a bottle of Coke for 5 cents, a cigar for 5 cents. Today, these items have doubled in price, while we still pay in 1968, 5 cents to mail a letter out of town and 4 cents for local delivery.

The former Postmaster general who is now Minister of National Revenue, has carefully studied postal problems. During his term of office, more efficient methods of dealing with the mail have been adopted. I should like, Mr. Chairman, to mention some methods of delivering the mail that have been put into practice in a pilot area, the Gaspé peninsula.

The peninsula was a testing ground for a new method, which has since been extended to the whole of Canada: rural routes have been spread out from large centres.

Several small revenue post offices have been closed down; thus better service was extended to users directly to their home, thanks to the setting up of rural routes.

According to the Canada Post Office's last annual report, 221 post offices were closed down between March 31, 1967 and March 31, 1968. Out of those 221 post offices, 63 were in the Gaspé and Bonaventure counties and 17 others will close down in a few months. This will bring the number to 80, and they are exclusively in the two constituencies I just mentioned. People who were using those post offices are getting their mail through rural routes' service.

• (4:30 p.m.)

Mr. Chairman, rural routes' service is much better than the letter carrier service in large cities. People using it can buy stamps from the rural letter carrier. The latter looks after registration of letters, parcel insurance, sale of money orders and collection of C.O.D. amounts. He is a sort of travelling post office with a fixed time-table, while the city letter carrier only delivers mail. The payment of contractors who deliver the mails on rural routes has been discussed for several years, and by your leave, Mr. Chairman, I will come back to that later on.

Another change made in the delivery service by the department, from 1966 to 1967, has been the establishment of serving centres designed to expedite transportation of mail on short distances and make it more efficient. These centres are located in well-defined geographical areas and the mail is quickly dispatched to these offices during the quiet hours of the night to be delivered afterwards by suboffices to neighbouring communities. In that way, and particularly in the Gaspé peninsula, the mail from Montreal and Quebec city is received several hours earlier than under the old transportation system. In many cases, the service enjoyed by expanding localities was poor because they were at the end of the railway line or the highway service. All that is changed now. It began in the pilot area of the Gaspé peninsula under the tenure of the 46th Postmaster General, the hon. member for Longueuil (Mr. Côté). Eighty of those centres are now operating, according to the annual report of the Post Office Department, and the creation of 120 other serving centres throughout the country is under study.

The merger of the small revenue post offices, the creation of new rural routes and serving centres are new services available to the Canadian people.

Mr. Chairman, the increases provided in the resolution now under consideration are not designed exclusively to pay for the new salaries of the post office employees. I gave other reasons why the 6c. rate now proposed by the minister is a bargain for the whole of Canada.

Canadians are willing to pay one cent more in postage for their letters because, in the last few years, the Post Office Department has been giving a much better service.

I would not like to see for any reason whatsoever the quality of the service go down after the passing of the bill which will be introduced in the house. It is necessary to establish the right balance between the revenue and the expenditures of the Post Office Department, but it must be remembered that the department must contribute to the progress of Canada and to the daily life of the people. It has discharged that obligation successfully until now and I am sure that Canadians from coast to coast are grateful to the postal employees. I wish to add in passing that Canada can be really proud of its postal service and, as stated by the minister earlier, it is the best in the world.

Mr. Chairman, while keeping to the resolution under consideration, I wish to refer to the report of the royal commission on working conditions in the Post Office Department.

At the time the late René Tremblay was holding the office of Postmaster General, there was a lot of unrest in the department. The employees were most anxious to have their own union and they asked urgently for the creation of a collective bargaining system. They were unhappy also about the method used to establish their pay level and job classification.

In July and August 1965 a strike was called in the main post offices in Canada. This was the first work stoppage by postal workers in forty years. While the strike was going on; Hon. René Tremblay was endeavouring behind the scenes to find some way of settling the differences between the demands of the employees and the offers of the government. The name of the former member for Matane, however, was never particularly mentioned in press releases and reports.

The Postmaster General wanted to get to the bottom of things. It is during his discussions with the leaders of the postal workers' unions that he agreed to establish a commission of inquiry on working conditions in the Post Office Department.

Mr. Tremblay did not merely make that promise to the employees. He also convinced his colleagues in the cabinet concerning the need to establish such a commission as reported in order in council P.C. 1965-1590 which reads as follows:

> The Committee of the Privy Council, on the recommendation of the Postmaster General, advise that Mr. Justice André Montpetit, Montreal, Quebec, be appointed a Commissioner—

Justice Montpetit presided during a 12 month period an investigation among the employees throughout Canada on their complaints about working conditions. When the report was tabled, it dealt with a great number of complaints stated under the form of a summary including 282 recommendations made by the commission.

Mr. Chairman, I must today, on this first opportunity which is given to me to speak in this house since the death of hon. René Tremblay, pay a tribute to this minister who left a most useful working paper for future Postmasters General and the authorities of the department.

Some hon. Members: Hear, hear.

Mr. Cyr: Referring to the report of the royal commission, I shall mention particularly recommendation No. 58 which reads as follows:

> That the responsible authorities conduct a thorough study of the consequences of the adoption of a policy aimed at curtailing postal service on week-ends.

Moreover, under recommendation No. 59, paragraph (c) we read:

> That this study include amongst other things:
> —the possibility of suspending postal operations between the midnight shift on Friday and the evening shift on Sunday at those locations where this is practical, i.e., where no serious delay in mail delivery would occur;

And under paragraph (d) we read:

> The possibility in those offices where it would not be practical to curtail Saturday delivery and wicket service, of employing a minimum staff for the sale of money orders, etc., sorting, preparation and delivery of only first class mail matter along with C.O.D.'s and registered mail and the dispatching of mail of these classes.

Mr. Chairman, the resolution now before us purports to gather revenues to balance the budget of the department. As I said at the beginning, it is our duty, here in this house, to balance the budget of the Post Office Department. As I said right at the beginning, we have obligations towards Canada and its population, because the postal service belongs to the daily life of Canadians.

Post Office Act

On September 27, 1968 the Postmaster General declared, as reported in *Hansard*, page 496, that as from February 1, 1969, he intends to close the post offices on Saturdays. I quote:

It is, therefore, intended to close the post offices on Saturdays. Deliveries of mail will not be made on Saturdays. This will include letter carrier service, parcel post and rural route deliveries.

Mr. Chairman, I object to the closing of certain post offices in the morning on Saturdays as well as to stopping, on Saturdays, mail deliveries on rural routes.

• (4:40 p.m.)

As I said at the beginning of my remarks, the Post Office Department undertook in 1967 a program of amalgamation of all revenue post offices and establishment of rural routes for the delivery of mail to those who were no longer served by their post offices. The Postmaster General at that time told these people that the rural routes would provide them with better service. The program was very well received and the people served by the rural routes are very satisfied with the present service. Newspapers printed in Montreal or Quebec on Friday were distributed in Gaspé on Saturday afternoon or evening and, in some places, on Sunday morning. Thanks to the new delievery service established in 1967 and the distribution centres, the Friday editions of Montreal and Quebec newspapers reach the post offices in the ridings of Gaspé and Bonaventure during the night from Friday to Saturday, and they are delivered to the post offices and on the rural routes on Saturday morning. The people of Gaspé peninsula I represent are ready to accept a one cent increase on the postage rate of letters, as it is justified by the new postal services which have been placed at their disposal for more than one year.

According to the statement made on September 27 in the house by the minister to the effect that he was thinking of closing post offices on Saturdays, the people of Gaspé peninsula will receive their Friday papers on Monday only.

Mr. Chairman, this decision does not concern only the region of Gaspé but all the regions which are far from the large centres. Post office users in big cities like Montreal, Toronto, Ottawa, Quebec, Halifax, Vancouver, Winnipeg and others, can do without the post office service on Saturdays since the newspapers are printed in those cities and their citizens can buy them at any stand or have them delivered at home by newsboys.

Mr. Chairman, if the delivery of the mail is stopped on Saturdays, rural regions will regress by 50 years. The resolution is proposing measures affecting mail delivery and rate structure as applied to newspapers and periodicals. If we are to increase the statutory rate on Canadian newspapers—daily papers that is—I suggest to the hon. minister that the increase be sufficient to make sure that Canadians who now get their paper by mail on Saturdays will still get it.

As I said at the outset of my remarks, the Post Office Department has the responsibility to contribute to Canada's development and to the well-being of its people generally. I suggest it is not by discontinuing delivery of mail on Saturdays in rural areas that we shall reach that objective. The department is saving money by consolidating small postal substations and is still carrying on that program. It would be ill-timed to deprive the patrons of rural post offices, of their Saturday mail.

In his statement of September 27, the minister said: It is, therefore, intended to close the post offices on Saturdays." I take for granted that the decision is not final, since he used the word "intended".

Mr. Chairman, it would be proper more than ever to meditate on the Latin proverb taken from the book of the great Augustus, *Festina lente*—Make haste slowly.

The resolution now before us reads in part as follows:

—to provide for certain changes in connection with the administration of the act, more especially in relation to tenders and contracts—

The payment of services given by rural contractors has always been particularly emphasized in this house.

The basic rate is fixed according to norms taking into account the distance travelled, the number of boxes on the route and the number of calls. There are also other important factors which will have to be considered when the department will be preparing the estimates for highway services and rural routes, such as the topography of the area, the weather conditions and the state of roads.

For instance, in winter, transportation of mails is much easier on provincial highways, where snow-ploughs pass several times a day, than on secondary roads maintained by municipalities. I want to point out that, in the spring, when the thaw is setting in, it is almost impossible to drive on many secondary roads. It is also in winter and in spring that the contractor's vehicle is most liable to be damaged.

I would suggest to the Postmaster General the establishment of a committee made up of officials of his department and independent appraisers who, at different periods during the year, would accompany the contractor to perform the field work. Such a committee would then realize that a highway service and a rural mail delivery in the Gaspé peninsula or in northern New Brunswick are entirely different from those in the Niagara Falls or Vancouver areas.

Mr. Chairman, the Minister of Transport (Mr. Hellyer) has just recently established a committee travelling throughout Canada, in order to learn about housing conditions.

The Postmaster General could do likewise to determine regional standards which would direct the officials of his departments to assess the highway and rural route services.

Mr. Chairman, before closing my remarks, I am asking the House to pass the resolution under consideration. Since the Postmaster General is very understanding and anxious to co-operate with the members who are much closer to the people, I know that he intends to reconsider the removal of newspapers delivery on Saturdays, as reported in *Hansard,* on page 735. Even this afternoon, he mentioned he was considering the problem. Therefore, I am asking him to inform us specifically on his intentions before closing the debate.

[*English*]

Mr. Nowlan: Mr. Chairman, I am glad to see the Postmaster General, the designated minister of communications, has returned to his seat because for a while it seemed that the only minister in the house piloting this piece of legislation was the Minister of Fisheries. I did not think this was necessarily a coincidence.

Mr. Kierans: On a point of order, Mr. Chairman, I did not miss a word of what was said.

Mr. Nowlan: I never assumed that the Postmaster General missed a word, but the fact is that the only minister present in the house for a short while was the Minister of Fisheries, which I thought was perhaps most appropriate. In view of the bland and general way in which the Postmaster General presented his explanation of the terms of the resolution today, Canadians across the country may think that more than what the Postmaster General said is involved here and that this thing is a little fishy. Thus the post was most aptly filled by the Minister of Fisheries in the absence of the Postmaster General.

Following this opening salvo I would like to echo many of the thoughts which the hon. member for Hillsborough expressed to the minister in his remarks on the resolution before us. In this era of the great society and in extending some Irish charity from this side of the house to the minister who is supposed to have some strain of Irish in him, I wish to follow the hon. member for Hillsborough in extending congratulations to the minister on his appointment and on his presence in the house. However, I must say I found that the longer the minister spoke in his introductory remarks the more difficult it became for me to be compassionate, as one is supposed to be in this type of society, for my compassion, in opposition to Parkinson's law, diminished the longer the minister spoke as he tried to sugarcoat his way with bland generalities. In bringing to the attention of the house the exotic world of communication satellites, he tried to divert our attention from some very real flaws in the resolution.

My only conclusion, after listening to the minister and trying hard to be charitable, is that the just society, which many people tried to define during the election campaign, is simply a slogan. Therefore I feel I am being charitable in the circumstances in view of this bill in saying that the just society is one in which you pay more and get less. Certainly that is just what is proposed in this bill.

In trying to resolve the problem of how much compassion I should show in extending my congratulations to the minister and having listened to him offer a bouquet to the employees of his department, I wondered at the minister's words in speaking of the turmoil of the strike last summer when he said that the strikers, in his own words, "respected the law and demonstrated their respect for the law". There was no real doubt in the minds of Canadians about whether or not the employees of the post office demonstrated their respect for the law. There is not much doubt either on the part of the public in general that it is the government which must discharge its responsibility to govern this country. I am not going to get off the track, but it was interesting to see the minister put up this straw man and then digress by talking about satellites, telephones, electronic highways and the like.

• (4:50 p.m.)

In listening to the minister's discussion of the strike I began to wonder whether or not the proposals in this resolution and the pending bill do emanate from the strike in the

sense that the government, because of the summer doldrums, was perhaps surprised that the public did not react more violently during the early days when postal service was cut off. I do not know what was contained in the interoffice memos of the Post Office Department. Certainly there was a period of ten days or perhaps even two weeks when the public did not seem to be organized in the sense that there was much vocal criticism of the lack of postal service. I wonder in my own mind whether perhaps the postal strike of last summer has not been one of the catalysts that produced this resolution and the bill to follow, since the minister seems prepared to go far beyond what his predecessor was prepared to do just last winter.

I suggest that if this is the type of reasoning that has prompted consideration of this resolution and the progressive press announcements that have been made in an attempt to precondition Canadians to these drastic changes, then the minister is going to find out that the postal service is still very important to Canadians. While we may talk about expanding telecommunications and satellites, the postal service is the glue which holds our national fabric together. I submit that these quick suggestions for such drastic changes touch the raw nerve of most Canadians. Certainly there is no question about the need for some change in rates. However, when we see rate increases on the one hand with a reduction of service on the other, then we get some understanding of the type of renovation and reform this Postmaster General would like to bring to the post office.

It would have been rather amusing, if it were not so serious, to hear the minister suggest in a glib way that we have to buy this package holus-bolus, that if we do not do so we are neanderthal; we are against progress and against change. The minister mentioned there had been no change in the rates since 1954. Some members of the press have said that now we have a majority government, that government can move boldly to make the drastic changes necessary. It is a fact that since 1954 there have been majority governments. The fact that some governments moved carefully and cautiously, long before the just society was conceived, illustrates the perplexity and complexity of some of the issues raised in this resolution.

It is a little disappointing to me that this minister, who I think has some good ideas for reform in theory, should try to glibly give us the sugar pill. I certainly hope that when we are discussing the bill the minister will tell us what he proposes to do because there are fundamental implications here that go far beyond the post office itself. It is an unfortunate fact which Canadians seem to have accepted, but since 1935 the Liberal party has been in power for 27 of those 33 years. If things were so drastic and horrible, it is rather surprising to me that this party which formed the government for the majority of the time since 1935 did not move with a little more dispatch, a little more imagination and innovation, to correct some of the wrongs about which the Postmaster General told us. They certainly have had a chance to innovate and to suggest changes. I think it is a little too easy to suggest, after constructive criticism from outside the house, that we are all against change.

So far as rates and service are concerned, the hon. member for Hillsborough asked many legitimate questions. I want to concentrate a little on the rates and some of the implications contained in these rate changes. Before doing that I should like to digress for a moment and congratulate the minister sincerely on the letter that we received today, giving his second and sober thoughts concerning the rural mail contract dilemma. The letter dated October 7, which I presume was directed to all members of parliament, indicated that the rural mail contracts will be considered and assessed on a just basis. In effect, these contractors will be paid for some of the equipment they did not use. This certainly is a constructive attitude on the part of the minister and goes much further than his statement on October 1 when he said that he had sober thoughts and second thoughts but the second thoughts were the same as the first. Now, his sober thoughts and second thoughts recognize the legitimate case of the rural mail contractors in Canada. I did want to congratulate the minister upon that, without any backhanded compliment being intended.

The other change upon which I hope the minister will report when we are considering the new bill is the recommendations of the Glassco commission for improving the postal service. How many of these recommendations have been implemented since 1962 to update the postal service? If some of them have not been implemented, perhaps the minister could give the reasons why certain recommendations in this very constructive report have not been followed.

With these two digressions on the rural mail contractors and this question of change,

which is not a pill we can accept on this side of the house, I should like to comment on part of the minister's remarks. He mentioned that one of the reasons for the rate change was to ensure that newspapers and periodicals bore their fair share of the cost. I believe the hon. member for Surrey asked about international agreements, and certainly the one with the United States. I wonder how the minister reconciles these suggested changes to increase rates with the Canadian users of second and third class mail? There is a case for rate change, but how can he reconcile the statement he made that newspapers and periodicals shall bear their fair share of the cost when he knows, and I know, that the problem in connection with the newspaper and periodical business is the great influx of printed matter from the United States. This printed material contributes no revenue to our coffers because, under the international agreement, it comes into Canada basically on a postage free basis.

I believe that the suggestion that the increase in second and third class postal rates is going to solve the problems of the post office detracts from the real problem, the influx of printed material from the United States which, as a result of the international agreement, is carried by our post office on an almost postage free basis. The fact that we are now going to increase second and third class mail rates on this side of the border cannot help but aggravate the extremely involved law of copyright in connection with printing and publishing inasmuch as United States printing and publishing firms now have such a tremendous advantage over Canadian printing and publishing firms because of the vast numbers of such firms in the United States.

• (5:00 p.m.)

As I understand the minister's remarks, by increasing the second and third class rates we will not only have a natural imbalance as a result of the volume of printed and published matter but there will be even more incentive to printing and publishing companies in the United States to send their material to Canada, thus making Canadian printing and publishing that much less competitive. This second and third class mail is dropped into United States post office boxes at United States rates; it crosses the border into Canada and in effect is carried postage free under the international agreement. I think the question asked by the hon. member for Surrey is most relevant in trying to shed some light on the problem of second and third class mail without everybody being whipped up into an emotional state about how the poor postman in Canada is carrying a lot of mail too cheaply at subsidized rates. That is why I subscribe wholeheartedly to the remarks made by the hon. member for Hillsborough. I think that once we get through the resolution stage this matter should be referred to a committee, where those directly and indirectly involved could present briefs and make submissions. This would not only help educate hon. members but also inform the public about the far-reaching implications of these proposed changes.

Another point about Canadian and United States publishing and printing is that publications of this sort are assessed for federal sales tax of 12 per cent or for provincial sales tax of 5 to 8 per cent. The minister talks of the post office paying its own way and I am wondering whether that factor has been considered. Publications of other media such as radio and television pay no such sales tax.

Another very large employer and earner of dollars for this country is the paper industry. Since the wage increases were awarded last august, out of the blue has come the press statement of the minister that these rate, increases, which range between 66 and 100 per cent, will come into effect. This statement was made without any real consultation with the industry or opportunity given to the industry to submit briefs dealing with possible discrimination against the publishing industry as a result of these rate charges that the television and radio media do not pay.

As we already know, Mr. Chairman, the C.B.C. is heavily subsidized by tax dollars. In view of the fact that there is this discrimination to which I referred and that these increases range from 66 to 100 per cent, which amounts in total to an increase of from 17 to 20 per cent depending upon province, the plea of the minister to make the post office operation a pay as you go proposition would seem to fall on deaf ears unless some explanation is given of why the publishing and printing industry has been, under the proposals of the minister, singled out to pay its own way.

Mr. Kierans: Could I ask the hon. member a question?

Mr. Nowlan: Yes.

Mr. Kierans: Can he guess or estimate exactly what percentage of our cost we recover on second class mail?

Mr. Orlikow: Why should he do that?

Mr. Kierans: Because the hon. member has been making charges. Our actual subsidy on second class mail at the moment amounts to 78 per cent of the cost. We recover 22 per cent. So that even with a 100 per cent increase of recovery this would still mean payment of a subsidy amounting to 56 per cent.

Mr. Nowlan: I thank the minister for asking me a rhetorical question which he answered, and I am glad that he did because he had the information at his fingertips. This illustrates to me the necessity for this matter to go to a committee, not the committee of the whole but a committee which could hear the many briefs of interested parties, where firms could make submissions, where the experts could be cross-examined and the facts ascertained.

Regardless of the recovery on second class mail, we still have third class mail. Then, as I say, there is still that question which to me was glibly glossed over, namely, that the competitive communications media of television and radio pay no sales tax. Perhaps the minister has some facts and figures as to exactly how much is involved in regard to these publications that do not pay sales tax.

Mr. Perrault: The government would not have any figures of that kind.

Mr. Nowlan: Mr. Chairman, the hon. member for Burnaby-Seymour will have his chance to take the floor. This is not the house of another province and he has to govern himself by the rules of this house. It may be difficult for him but he will have to restrain himself.

As I say, some of these communications publications pay no sales tax and do not pay the higher rates. The transmission facilities of the C.B.C. radio and television services are publicly owned; yet they are still subsidized by the government.

In these areas alone, there are legitimate questions that I think the minister has to answer before this matter can proceed much further. For example, there is the question of the five day delivery week. The hon. member for Hillsborough and others will be striking out more forcefully on this subject and also on the question of rural mail contracts and deliveries. If the minister progresses as fast with the development of communication satellites as he is progressing with these drastic changes that he wants to make, then we may be faced with the ludicrous situation of some satellite going to the moon and back before some of the people in rural areas of this country read about it. That is what will happen unless something is quickly done about the newspaper situation.

The question of a five day week is not simply a matter of giving our postal workers a two day week end, because they have it now. I think that the public is being a little misguided if it thinks that this legislation breaks new ground by giving our postal workers a five day week.

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

Mr. Knowles (Winnipeg North Centre): Continue.

The Chairman: Does the committee give the hon. member leave to continue?

Some hon. Members: Agreed.

Mr. Nowlan: I thank hon. members for their indulgence. There is another way in which the rural mail contractor can be affected. Perhaps the minister is aware of it so I will not belabour it; other hon. members may raise it.

We must also consider when talking of a five day week how businesses in our cities will be affected. The minister has stated that the mails will still move. If a letter is dropped into a post box in Vancouver on Friday night, will it still arrive in Toronto on Monday morning? There may be an easy answer to that.

Another problem that might not be so easy to answer concerns freight forwarders. These freight forwarders do business by bills of lading which they have to pick up at their customer's box before they can process the freight. This, Mr. Chairman, together with the five day week and the delivery in Toronto on Monday of a letter posted in Vancouver on Friday, are matters of legitimate concern not only to those in our cities but also to those in rural areas where mail is carried on Saturdays.

I am not going to say anything further because I know that other hon. members have a lot more to say about these drastic changes in what, to me, is a most vital service that affects more Canadians than any other.

• (5:10 p.m.)

Mr. Otto: I will not be too long, Mr. Chairman. In this instance I support the minister. Sometimes, I confess, it takes me longer to support a minister than to oppose him.

To come to the point, it seems that hon. members opposite are discussing the liquidation of our postal service. From what I understand of this resolution it does not mean the end of our postal service. The resolution seeks to increase postage rates by one cent in some instances and by as much as six cents in others. In short, the resolution seeks to readjust postage rates. Actually, it is a resolution to introduce a bill which will make the post office more efficient and a better, not a poorer, service.

Hon. members of the N.D.P. and the Conservative party have referred to the post office as a great public service. No one argues that the post office is not still a great public service. The question is under our present priorities is it a public service that requires subsidizing? If so, by how much?

Mr. Orlikow: Subsidizing by whom?

Mr. Otto: How much should the subsidy be?

Mr. Orlikow: And by whom should it be paid?

Mr. Otto: I want the hon. member for Winnipeg North to remember that when the post office became a public service just before the turn of the century, about 1889 or 1890, the postal authorities of Canada charged two cents to deliver a letter at a time when the total income for all Canada was only $892 million. Wages then were $1.50 per week and it cost two cents to have a letter delivered in Canada. There was no method of communication other than the post. There were no telephones. You sent a letter or you did not communicate. There was urgency, therefore, to introduce a public service dealing with postage.

In 1931, when Canadian per capita income was $348, the postal delivery rate went up to three cents. Per capita income in this country is now $2,400. If we applied a proportionate postage rate to our mail delivery it should cost 18 cents to have a letter delivered.

An hon. Member: It should be three cents.

Mr. Otto: When one remembers that Canadians spend $413 million a year on long distance telephone calls, or an average of $80 per family, no one will argue that six cents is too much to pay to have a piece of first class mail delivered. How many letters will Canadians send per week? If every family sends one letter a week, the increased cost to that family will be under 60 cents a year. In any event, each family does not send one letter a week. I say that when you consider that the average family spend $80 per year on long distance telephone calls it is nonsense to argue that this increase in first class mail rates is crucial for Canadians or that the country will go bankrupt. All this argument about the one cent increase is absolute nonsense. Considering what our people spend on long distance telephone calls every year and considering that our income per capita is much higher now than it was before, should first class mail be subsidized at all? I do not think so. I think it should pay its own way.

Mr. Orlikow: It does.

An hon. Member: Business will suffer.

Mr. Otto: I hear comments that business will suffer. I expect that this rate will mean an additional expense of about $1 per week per business. Since the cost of typing a letter is $2.70, spending an extra two cents to mail the letter will not break any business establishment. Business will be more efficiently served than in the past. In any event, business does not ask to be subsidized.

Mr. Orlikow: No, it passes its costs on to the consumer.

Mr. Otto: Of course. And who do you think is going to pay the $100 million deficit which amounts to about $5 per person? Does the hon. member think Canadians would rather pay $5 per capita or see postage rates on first class mail increased by one or two cents?

The latter part of the resolution, as I read it, deals with what some term direct mail. Direct mail entails an absolute waste of time and money. Of course, direct mailers will complain bitterly; their expenses will go up. You must remember, and it has been proven many times, that only about 7 to 9 per cent of direct mail is ever looked at. At most, direct mail is 9 per cent efficient and those who engage in direct mail advertising know that 90 per cent of their effort is wasted. Most of the matter they mail winds up in the waste paper basket. So long as we subsidize that inefficient 90 per cent the money the direct mailers spend will not be turned to more productive channels of advertising and promotion. I have absolutely no sympathy for the

concept of direct mailing. There are many superior ways to get one's message across. If the postage rates are kept at their present levels it will pay those engaged in direct mailing to see 90 per cent of their matter thrown away and 10 per cent only put to effective use.

I want to say a few words about periodicals, Mr. Chairman. There has been a sort of sanctimonious attitude toward periodicals as if magazines, periodicals and newspapers of all kinds have a vested right to be in our lives.

Mr. Orlikow: Especially *Time* and *Reader's Digest.*

Mr. Otto: I have seen worse magazines.

Mr. Orlikow: I don't know where.

Mr. Knowles (Winnipeg North Centre): Where have you been?

Mr. Otto: I hold no brief for *Time* or *Life* magazine. I think no periodical has the vested right to be delivered at rates which amount to subsidies. There are some areas of endeavour, in the artistic or literary fields, which the government might wish to promote. No one says that the government will cut out all subsidization. We are saying that the matter will be reviewed and adjusted. We want no one to say, "I have special privileges that someone else has not," or "someone has special privileges that I have not". That is the basis of this resolution. The resolution seeks to clarify and regulate so that all periodicals will be treated equally.

Mr. Orlikow: Where does it say that?

Mr. Otto: That is the entire purport of the resolution.

Some hon. Members: Oh, oh.

Mr. Otto: The minister made that plain in several public statements. He did not say he would cut out all subsidies. He said that periodicals will be treated equally, as will be second class mail of all kinds.

I now wish to say a few words about the question of Saturday closing which was raised by hon. gentlemen opposite. I do not think the minister says that there will never be any kind of postal service on Saturday. He said the matter is to be studied. At the moment it looks as if Saturday deliveries will be discontinued. The minister recognizes that business patterns have changed and that for some people who work all week Saturday may be the only day on which they can make use of mail service. No doubt the department will evolve methods of serving members of the working public who must have recourse to mail service on Saturday, and I am quite sure that the minister is open on that subject. No one has said that mail service of every kind is to be discontinued on Saturdays.

The minister deserves kudos for announcing that a research group has been set up to determine whether the Post Office Department can be turned into a crown corporation. It would be a wonderful idea if it could be turned into a crown corporation. I think the department deserves the status of such a corporation, especially if it is to increase its efficiency. Personally, I see no reason for all the hue and cry we hear about the disappearance of the post office. The Post Office Department will be a better and more efficient department if it operates as a crown corporation, and I support the minister wholeheartedly on this aspect.

• (5:20 p.m.)

Mr. Nesbitt: Mr. Chairman, first of all I should like, as other members have done, to congratulate the minister on his new position in his new field of activity, the federal government. He certainly comes here well recommended. We sincerely wish him success and hope he will be able to apply his many abilities to the demands of his new position.

Before I go further with my remarks, there are one or two things I think should be clarified. The previous speaker clearly implied that the minister had not said there would be no letter carrier or other delivery of mail on Saturdays and that the department was just considering the matter. I have in front of me *Hansard* containing the following statement on page 496. Nothing is said here about studying the question. The paragraph reads:

> It is therefore intended to close the post offices on Saturdays. Deliveries of mail will not be made on Saturdays. This will include letter carrier service, parcel post and rural route deliveries.

I quote this in order that there may be no misunderstanding. Unless the minister has changed his mind since then and imparted new information to the hon. member who has just spoken, there can be no equivocation about what the minister said. If during the course of the discussion of this resolution the hon. gentleman wishes to clarify the matter I am sure we would all be pleased to hear him do so.

It seems to me, in view of a number of things which have taken place and which have been brought up in this chamber, that the minister's great energy and enthusiasm for the work he has undertaken have led to his being a little too hasty in this case. Since the proposed changes are not to come into effect, I understand, until February 1 of next year there would certainly be no harm in responding to the representations made in this house and elsewhere that this question be referred to a special committee, perhaps with a proviso that the committee report back within a certain time limit so that its deliberations will not take too long.

As my hon. friend from Hillsborough has indicated, there are a number of aspects which require study. For instance, there is the question of the cost of the junk mail we all receive. The position of the weekly newspapers must be considered. How will bills of lading be affected? A great many people who stand to be seriously affected by these proposed changes should have a chance to make representations before a committee. The setting up of a special committee in this regard would be most appropriate. It would not delay the minister's proposed legislative changes and it might be most helpful.

Unlike a good many other ministers both present and past, the Postmaster General shows a certain flexibility of mind and reasonableness which are highly commendable. I would refer to the representations which were made to him by members on both sides of the house with respect to the position of rural mail contractors during the recent postal strike. I understand it was originally decided not to pay these people despite the fact that they had contracts with the government. After representations had been made the minister announced to us that the contracts would be honoured after all, minus sums in respect of costs for gasoline and the like which were not incurred.

I think this was an excellent decision on the part of the minister and he should be commended for listening to the representations made to him by hon. members. It is no disgrace to change one's mind. Some people who have been here over the years seem to believe they are the fount of all knowledge and that no one else can have any knowledge about anything. When asked to change positions they have taken they dig in their heels, lay their ears back and stubbornly refuse. It is refreshing to see a minister who does not do this.

It is my understanding that the principle has been followed by all governments in recent years that Canadian citizens should not be penalized because of geography or their location, and I am sure the minister would agree that this is a proper course to take. This applies to all necessary services, and surely communication services are included. There are forms of communication which presently enjoy heavy subsidies, as my hon. friend from Hillsborough indicated. I refer to the C.B.C. and the C.N.R., to mention only two. People who live in the far north receive news and information by radio and telegram via the C.B.C. This certainly costs plenty, but nobody objects to it. I believe that those who try to open up our north country are entitled to these special services even if they do cost extra money. There are precedents. The railway which opened up this vast country was never intended to pay its own way. The same applies to the Post Office Department.

I realize that most members on the government side come from the big cities. There are a few who do not but the majority come from the big cities and are not familiar with the difficulties with which residents of rural areas have to contend. Consider deliveries of newspapers, for example. People living in rural areas of southwestern Ontario, a heavily populated part of the country, as well as those living in southern Quebec or the lower mainland of British Columbia, I presume, receive their daily papers not from paper boys but by rural mail. I know that in my own area the London *Free Press* makes in the neighbourhood of 20,000 deliveries a day by rural mail.

It is true that in modern days radio and television constitute a greatly improved method of communication but it is a fact that a great many people still like to read the newspapers despite their many faults. Most of us read the newspapers and enjoy them. Most major dailies put out a special edition on Saturdays containing all sorts of additional matter—coloured pictures, comics, "goodies", as one of my hon. friends puts it. There are even some informative things in the coloured pictures. Most people, including farmers, appreciate this.

Perhaps I should bring it to the attention of members of the government that farm people work seven days a week. But they do have a little more time to themselves on Sundays,

possibly because of their religious background. I know this is an old-fashioned concept to some, but in some places in the country areas Sunday is still observed as a day of rest.

As I say, people like to read their papers on Sunday and the papers would not be of much use if deliveries were not made until Monday or Tuesday. No doubt there are some who would be inconvenienced by the lack of letter carrier delivery in urban areas on a Saturday, but I have received nothing like as many complaints from urban areas as I have received from residents in rural areas. The minister might be able to justify to some extend discontinuance of mail delivery in urban areas but I certainly think he should carefully reconsider his intention to discontinue letter carrier service on Saturdays in the rural areas.

• (5:30 p.m.)

Discontinuance of Saturday service will have another effect. If the minister's proposal is put into effect without change on February 1, then because of his power to vary the contracts with rural mail contractors these people will have their remuneration cut proportionately. As someone pointed out earlier, this is not very just in the new just society, because these people get little enough as it is and, if I may use the expression, Mr. Chairman, damn little in proportion to others. Most of them cannot "moonlight", to use popular parlance, and cannot get other forms of income. It is not an easy matter to find Saturday jobs.

If the minister has to save money I suggest he save it on the letter carrying service in the urban areas. I and other members who represent both kinds of areas have not had as many complaints from urban as from rural areas, particularly in respect of the newspaper situation, and I hope the minister will reconsider this aspect of his proposal.

To sum up, Mr. Chairman, I hope the minister will prevail upon his cabinet colleagues to set up a special committee of the house to report by a certain date, a committee that will look into a number of questions and complaints that have been raised. I cannot help but think that in his enthusiasm to do a really good job the minister has not received all the information he should have with respect to the proposed changes. The people of Canada and the minister could derive real benefit from further information, and I hope he will give careful consideration to this suggestion.

Mr. Orlikow: Mr. Chairman, I waited with a great deal of interest for what was really the first speech of the Postmaster General in this chamber. Before he came to this house he had a reputation as a great progressive, a great radical. It may have been heresy and untrue but in fact I even read references to him as a socialist. But as I listened to his speech it seemed to me that it could very well have been made by his colleague, the President of the Treasury Board, who on occasion has been called many things but never a radical, never a progressive and, God forbid, never a socialist.

Somewhere in the place where they make cabinets, Mr. Chairman, there must be a sausage machine. You take prospective cabinet ministers, radicals like the Postmaster General, reactionaries like the President of the Treasury Board, put them in the machine, grind away, and what comes out is some good gray, bureaucratic conservative who makes the kind of speech that the Postmaster General made.

The Postmaster General tells us that at present rates the post office is going to have a deficit of $99½ million and that the post office must pay its own way. My colleague, the hon. member for Winnipeg North Centre, has asked a very simple and obvious question. Where is it written that the Post Office or any other department of government must pay its own way? Does the Department of National Health and Welfare pay its own way? Does the Department of—

An hon. Member: Defence?

Mr. Orlikow: Defence is in a class by itself and I will leave it to the experts. Does the Department of Industry, Trade and Commerce pay its own way, except in the sense that we hope it increases the efficiency of Canadian businesses and industries so that they can produce and so on? Which departments of government pay their own way? Does the National Research Council pay its own way? Can any minister demonstrate in dollars and cents that the National Research Council pays its own way? Of course not, Mr. Chairman. Governments and parliaments in past years have decided that the people of Canada are entitled to certain services, and one of the basic rights of the people of Canada is the right to send and receive mail.

I wonder whether the hon. member for York East, who spoke a few minutes ago, will go back to his constituency and tell the many old age pensioners there that the increase in the first class mail rate is justified, old age pensioners who live on the miserable pensions which we give them in this country, who depend so much in their way of life on the letters they get from their children and other relatives and friends. Will he tell them that this increase of almost 50 per cent is justified?

Aside from the question of the principle that the Post Office Department must pay its own way, which in my opinion is completely unjustified, there is a simple question that we have a right to ask. If there is a deficit and if the deficit must be met where was it incurred and are the increases proposed going to come from those sources which produced the deficit?

The minister has been very explicit. He is going to increase the rate for first class mail to six cents. He is going to cut deliveries from six days to five days a week. He is going to close the postal savings banks. He is going to increase the charges for sending postal money orders. He is going to increase the charges for sending local mail.

I would like the minister or anybody in his department to show any member of parliament or any member of the public that it costs as much to mail a letter in Ottawa to be delivered in Ottawa as it costs to mail a letter in Ottawa for delivery in Vancouver or Winnipeg. To say that it does is simply to show how ridiculous this kind of proposal is. It simply is not and cannot be true.

The minister has been very explicit about the kind of increases we are going to get for first class mail, although to my knowledge every study which has been made has indicated pretty clearly that first class mail comes fairly close to paying its own way if it does not in fact do so. Yet that is where the increases are coming, and that is where the minister is so careful to point out exactly what the increases will be.

The hon. member for Surrey has pointed out that those increases where they apply to business mail involving bills, charge accounts and the host of ordinary transactions in which we all get involved will not be paid for by the businesses which mail the bills but will be passed on in increased costs to the consumer. Every one of us who drives a car and uses the credit cards supplied to us so quickly, easily and gracefully by Imperial Oil, B.A., Shell and all the other companies, knows very well that the increase in the cost of sending a monthly statement to us will be picked up quickly by those companies through an increase in the cost of gasoline. The same goes for Eaton's and Simpson's, or anybody else with whom you are unfortunate enough to have to do business. So, we are going to have to pay for that increase in mail rates which the Postmaster General, that great progressive, is inflicting on the people of Canada—

Mr. Kierans: If I could make a remark—

Mr. Orlikow: I will always be glad to hear you.

Mr. Kierans: The hon. member has twitted me for being called at one time a socialist and perhaps now, horror of horrors, a conservative. I find it strange to listen to the hon. member for Winnipeg North, having listened to the hon. member for Surrey plead the cause of business in this chamber.

Mr. Orlikow: Mr. Chairman, I am at a loss for words—

Mr. Kierans: Are you a socialist?

• (5:40 p.m.)

Mr. Orlikow: Mr. Chairman, if I am at a loss for words momentarily it is for the simple reason that obviously the Postmaster General has not been listening. I have just finished saying that those increases which the ordinary citizen is asked to pay will be paid by him when the cost of the goods which he buys is increased by the amount of the postal increase.

Mr. Kierans: Mr. Chairman, if I could intervene in order to give the hon. member for Winnipeg North time to collect his thoughts, I would like to suggest that what is true about the increase in the first class rate is the simple fact that 80 per cent of this increase will be borne by the business community. What is suggested by the hon. member, and completely unproven, is that the business community will in fact pass it on to the consumers.

Mr. Knowles (Winnipeg North Centre): Where has the minister been?

Mr. Orlikow: Mr. Chairman, I do not have a Parliamentary Guide here, but I understand that the Postmaster General at one point in his varied career was a professor in business administration, I believe, at McGill. I think

he ought to go back and take a course. He and I know that none of the companies which will pay the increased cost of sending out their bills will themselves absorb that cost. He and I know—and it will be demonstrated very quickly—that they will pass that cost on to the consumer.

Mr. Kierans: Mr. Chairman—

Mr. Orlikow: Mr. Chairman, I do not mind the Postmaster General interrupting as long as the Chair keeps a record and does not take his time off mine.

Mr. Kierans: All I want to say, as a former professor of economics, is that the hon. member still—

The Chairman: Order, please. Under our standing orders the minister does not have the right to intervene even for the alleged reason of allowing the hon. member for Winnipeg North to collect his thoughts. If the minister wants to make a statement he can do so with the leave of the house. He can also ask a question. If the minister wants to ask a question, perhaps he should put his question directly.

Mr. Orlikow: Mr. Chairman, I have the feeling that the more the minister speaks, the more he is digging his grave, so I have no objection to his speaking. The minister's statement was very specific and in very concrete terms—about the exact changes which he proposes in respect of first class mail which I say has on the whole been carrying its own cost. But the minister has not given us the full details of all the changes he proposes.

What the minister has not done—and I say he has no right to ask the members of this committee to vote for this resolution until he does it—is to tell us in the same kind of detail the increases which he proposes for other types of mail. For the hon. member for Annapolis Valley it was rather like pulling teeth to get the minister to tell us what is intended with respect to second and third class mail. I think I have written this down correctly, that at the present time second and third class mail is being subsidized to the extent of 78 per cent.

If the minister knows that and can tell us that he is increasing first class mail rates to six cents per letter, he can also tell us what he proposes to do about second and third class mail, because these have been the freeloaders. The just society, obviously, to the minister and to the Prime Minister means that those who have shall get more and those who have not shall pay more. What has the minister to say about second and third class mail? What about the garbage that comes into every mail box in this country every day? What about the throwaways, the catalogues, and all the material of this type which is unwanted and unasked for?

Mr. Kierans: Mr. Chairman, may I ask the hon. member a question?

Mr. Orlikow: Certainly.

Mr. Kierans: Does the hon. member realize that we have already raised the rates on third class mail by between 66 per cent and 80 per cent? Does he also realize that a discussion on third class mail does not come under the terms of the resolution?

Some hon. Members: Hear, hear.

Mr. Orlikow: Mr. Chairman, I suggest to the minister that if he wants the members of the committee to vote intelligently on this resolution he should be just as specific with regard to the rate increases he proposes for second and third class mail as he was regarding those proposed for first class mail. What does 66 per cent mean? What was it before? How much was it losing before and how much will it pay in the future?

I can get an annual subscription to the Winnipeg newpapers—and I am sure this is true of members from Regina, Calgary or Vancouver—and the newspapers will be delivered in Ottawa at the same price as they are delivered to me in Winnipeg. How much does the Post Office Department charge the daily newspapers to deliver newspapers from the city in which they are printed to the city in which they are delivered? How much does it cost us to carry those newspapers? How much do we get back? The minister has not told us these things. I think he can, and I hope he will before we finish this debate.

How much does it cost to take Eaton's catalogue from the point where it is printed, either Toronto or Winnipeg, and have it delivered to virtually every home in Canada? Does it pay for itself or do we lose money on this operation? I have never asked that these catalogues be delivered to my home but they are. As I say, the minister should tell us whether we are losing money in this respect. Almost every day I get circulars from the Book of the Month Club, Encyclopedia Britannica or 100 other organizations. I have never asked for them but I get them. How

much does it cost to deliver these? Are we getting back the cost of carrying them or subsidizing it? These are the kinds of things the minister ought to be telling this house. He has been singularly quiet on these matters up to now.

I suggest to the minister that if he has no new figures he should look at the report of the royal commission on publications. I realize that it may be verboten by this government because that royal commission was appointed by a former government. However, the royal commission published some very interesting statistics. I refer the minister to page 87 of the report, where they point out that periodicals do not carry the full cost of delivery. They point out that the loss to the Canadian Post Office on publishers' second class mail has been steadily increasing. In 1948 the loss to the post office was about $7.5 million; in 1960 it was almost $23 million. How much was it in 1967? Are the increases which the minister says he is imposing going to mean that there will be no loss to the postal department?

The royal commission on publications referred to the value to the country of small publications such as those put out by universities like McGill, Dalhousie and Toronto. I do not mind subsidizing these. I do not even mind subsidizing church publications, but I resent having the taxpayers of Canada subsidize publications such as *Reader's Digest* and *Time* magazine. I think they are very well able to pay for themselves. Before I would even think of voting for this resolution I want the minister to tell us whether in fact we are going to wipe out subsidies for this kind of magazine.

Perhaps we should be subsidizing the delivery through the mails of daily and weekly newspapers because they are a very important source of information to the people of this country. If the government intends to do that as a matter of public policy, surely the minister should say so and tell us that the cost of a deliberate decision to subsidize the delivery of daily and weekly newspapers, which are important to the people of Canada, will amount to so many millions. That is the kind of information the minister ought to give. It is because the minister has been so remiss in giving us these elemental and essential bits of information that, if we are to vote in a responsible way. we must vote against the resolution.

• (5:50 p.m.)

Before sitting down I should like to take this opportunity, since the minister discussed the Post Office Department, of saying a few words about the postal strike and what I consider to be the absolutely inexcusable and indefensible manner in which the government acted. I am not sure that this minister had very much to do with handling the strike. In 1966 there was a work stoppage by postal workers. As a means of getting the postal workers back to work the government appointed Mr. Justice Montpetit to look into the working conditions which may have led to the work stoppage.

Mr. Justice Montpetit made a very lengthy report. If there has ever been a more damaging report regarding the operations of government I do not know of it. Mr. Justice Montpetit made a series of recommendations and suggested that the Post Office Department should be reorganized in order that the working conditions for post office workers could be similar to those of private industry. We had another strike which lasted for several weeks because those recommendations were not implemented. The truth of this can be seen from the fact that to settle that strike it was necessary to appoint Mr. Justice Montpetit to examine the situation and find out what recommendations had not been implemented.

I cannot understand how any government could wait until the eve of a strike before saying to a group of workers that the amount they had asked for was too high and unreasonable. The government should have immediately said that the cost of living had increased by a certain percentage since the last settlement and it was prepared to use that percentage as the basis of an increase in wages. The government did not do this but waited until it was virtually impossible to prevent the strike. It seems to me that a government which refers so frequently to a just society should look at its own operations and implement a just society for its own employees before calling upon the people of Canada to do so.

[*Translation*]

Mr. Godin: Mr. Chairman, like the previous speakers, allow me to congratulate the new Postmaster General (Mr. Kierans), because I feel that among the ministers he has the most desirable post, since he is supported in his work by honest and efficient employees. Indeed, according to the reports of our friends who travelled throughout the world or soldiers on leave who tell us about the problems which they must face when dealing with

the mail, we come to the conclusion that our service is not only excellent but also fast when one considers that there is a 24-hour service between Vancouver and Quebec and a 12-hour service between Ottawa and Quebec.

The part of the resolution which I prefer is the following and I quote:

That it is expedient to introduce a measure to amend the Post Office Act to abolish the local delivery rate on letters for delivery within the postal area in which they are posted—

This disposition leaves something to be desired. However, further on, we read:

—to provide for certain changes in connection with the administration of the Act, more especially in relation to tenders and contracts;—

Mr. Chairman, it is very interesting to see that the hon. minister intends to tackle the problem of contracts because the method used until now was really outmoded as it dated back to the time when the mail was delivered by horse or ox-drawn carriage. I could give you a number of examples of this.

I have seen the list of contractors who deliver mail in my area. It is really disappointing to see the discrepancies which exist between contracts when the distances to cover are the same and an equivalent number of people are involved. I am convinced that of all the employees of the department, the people hired under contract are those who get the lowest salaries.

At this stage, Mr. Chairman, may I be allowed to read some extracts from a letter I received from the Postmaster General on October 7, 1968. I quote:

—we recognize that a large number of contractors have taken steps to be available at all times in order to resume work as soon as the strike is over. For that reason, we are ready to pay them a certain remuneration, without prejudice, in accordance with the following provisions.

1. To the contractors who provide the rural mail delivery and other minor services, who do the work themselves and are paid on an annual basis, we propose to pay the ordinary remuneration for the whole period while the service was interrupted, less the normal operating costs which were not incurred during the period while the work was not performed.

[*English*]

The Chairman: It being six o'clock it is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment today are as follows: The hon. member for Selkirk (Mr. Schreyer), Agriculture—biological effects on chickens of microwave tower radiation; the hon. member for Moose Jaw (Mr. Skoberg), Corporations and Labour Unions Returns Act,—alleged delay in submission of returns by corporations; the hon. member for Skeena (Mr. Howard), Fisheries—establishment by Russia of rights off Pacific coast.

It being six o'clock I do now leave the chair until eight o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

[*Translation*]

Mr. Godin: Mr. Chairman, when the house rose, I was commenting a letter addressed to me by the Postmaster General on October 7.

This letter informs us of the minister's intention to reduce the wages due to contractors who were the victims of the postal strike last summer, such reduction being proportionate to the expenses incurred to do their work in normal times.

I wish to take advantage of this resolution to ask the minister to reconsider his decision and to pay all those contractors at the normal rate, as though there had been no strike.

In my opinion, a study to establish the exact margin between wages and expenses would cost more than the total payment of regular salaries due to these people.

Mr. Chairman, I started my remarks with congratulations for the honourable minister. Allow me here to show him my sympathy because, after all, having been in the minister's seat for barely two months, he is already forced to extend a begging hand.

We very well realize that he is facing increased operating costs. He is at the head of a Department with employees scattered in all parts of Canada. His employees must pay their taxes as all workers do. All sorts of taxes have been added to the costs of the various services which the department must use.

The minister must cope with pay increases claimed by his staff who these past years have had to wrestle with increases in federal, provincial, municipal and school taxes. All increases in taxes, both direct and indirect, have pushed upwards the costs of the services required for the good operation of that department.

Of course, the operator of a fleet of trucks for instance, will have to consider the higher operating costs of his vehicles because of direct or indirect taxes. The costs of materials

needed to build new post offices have necessarily increased, on account of the new 12 per cent tax on building materials.

To summarize, Mr. Chairman, the minister is up against the system he set up himself in co-operation with his colleagues. He is up against higher trucking, railroad and air freight rates.

The minister must face up to the high cost of labour. He has to cope with the high rents for buildings not owned by his department.

The minister is also at grips with the rise in construction costs and the department lets contracts to other departments for the construction of the buildings it requires.

There is no other solution. The rates have to be increased for all postal deliveries across the country. To justify his action, the minister tell us that the rates in force at present were set in 1954.

Mr. Chairman, if such arguments were valid or justifiable, I think that family allowances would be increased since the rates now in force were established in 1944.

The second argument that the minister has advanced in his statement is to the effect that he wants to consider the classical methods in order to achieve a better service.

Mr. Chairman, has the minister begun his study of the matter? In the affirmative, with the 40-hour week that already exists for a number of postal employees, can the minister tell us if he intends to lay off all the people who are now working on a casual basis, in order to replace those who would have leisure time due to the 40-hour week.

This is a secret for nobody, because under the postal service in operation on Saturday, some employees had a holiday on Monday, some others on Tuesday and still others on Wednesday. At any rate, these holidays will automatically disappear and, I ask again my question: Will the casual employees have to leave their job or is it intended to assign them to other duties in order to really improve the service?

Can the hon. minister tell us by whom he intends to be assisted in his consideration and if the examiners have not yet been appointed, would he permit me to suggest that he should ask for the services of our postmasters, because, unfortunately up to now, these civil servants have not been called upon. However, these postmasters are serious, honest and conscientious people with a background of 10, 15 and sometimes 20 years of experience.

The ministers are sometimes shuffled around. Members can be defeated, but postmasters remain with all their knowledge and they only request the privilege of co-operating with the department.

Mr. Chairman, I am convinced that if the minister calls in this group of workers experienced in post office matters, the review of the old methods will not last long, since these civil servants will quickly point out the deficiencies which the honourable minister intends to remedy, in the best interest of the users of the Canadian post office.

[*English*]

Mr. McCleave: First, Mr. Chairman, this resolution gives me an opportunity to say a few kind words to the minister, who is a newcomer to the House of Commons. I congratulate him upon surviving the political olympiad which occurred in Ottawa earlier this year, and also congratulate the hon. gentleman upon the fact that the Prime Minister chose to establish communications with him.

It would also seem that the minister deals with the excommunicated, because one of the purposes of the proposed legislation is to do what the former member for York-Humber had advocated on occasion in the House of Commons. So that yesterday's heresies sometimes have a habit of turning up as today's Liberal doctrine.

In his remarks the minister made many references to the just society. I suppose this shows that the Prime Minister was communicating with him; and if we are to accept the minister's statement, the just society and the Post Office will march hand in hand.

Some hon. Members: Hear, hear.

Mr. McCleave: I appreciate the applause because I think the outstanding feature of the just society is that it is so inflationary that even an astronomic telescope had to be scrapped because it could not keep track of the inflation. The Post Office Department had been one of the last refuges of the nickel, but now even that refuge is gone with first class mail to go up to six cents. Indeed the minister is fully in tune with the just society, as we know it to exist in Canada today. I thought that as a new minister he might have reversed the trend that has been going on for some time in the House of Commons with regard to the resolution stage. As I understand the resolution stage, it affords the ministry an opportunity to present to the House of Commons the dollars and cents that

will be involved in a particular piece of legislation so that the house can determine whether to accept or reject what is proposed. The resolution is to acquaint the house, and therefore, the taxpayers, with the amount of money involved in legislation that is proposed. But as other speakers have pointed out, we have not had a real indication from the minister, at least in his brief presentation, as to the exact picture of the costs.

• (8:10 p.m.)

It must be said in fairness to the minister that when in the debate he attempted to ask questions of other members or make interjections, some of this information came out. But I think it would have been more useful if he had given us this information in his opening remarks. Perhaps before the resolution stage of the debate ends, he will do so.

Mr. Chairman, by way of aside I would say that if we are to deal with the reform of our procedures and do not go back to the original purpose of the resolution stage, this is one of those things that could be scrapped quite easily without any loss to ourselves.

Some hon. Members: Hear, hear.

Mr. McCleave: If we do revert to the better practice of ancient times, then the resolution stage might yet achieve a purpose. Serious questions were asked by the hon. member for Hillsborough, the hon. member for Oxford, the hon. member for Annapolis Valley and members of other opposition parties. I think the suggestion of the hon. member for Hillsborough, backed up by others, for a committee study was a pretty good one. We had in this house yesterday an instance of the hearts of all parliamentarians being touched by tragic events in another part of the world, and we are very quick to establish a committee to look into possible ways of assisting people suffering starvation.

I think everybody in the house agrees that if any department deeply touches the lives of Canadians, it is the Post Office Department. Perhaps nothing has hurt Canadians more than the announcements made over a period of time, culminating in this measure to change the postal habits of Canadians. I think it annoys them. I do not think they will buy the argument of the hon. member for York East, who asked, what is a penny increase or what is a two cents increase? For some people a penny or two pennies means a great deal indeed. When I heard this argument I thought the same argument would probably be used by some kindly but misguided executioner operating the medieval rack, in the middle ages to the effect that another little twist or turn would not really hurt at all. Probably this increase will not hurt most Canadians. But I know that during the postal strike, when people had to have an ear to bend to express their views about how much the postal service meant to them, I could tell how much the postal service means to very poor people who count on letters perhaps to a greater extent than any of us in this chamber.

The same argument could be raised with regard to making it more difficult for people to write letters by increasing the rate either one or two cents, namely that it takes something out of their lives. To many people letters are of extraordinary importance. I think we have had from the new minister commendable zeal and energy, but I think this has also been accompanied by an indecent haste to get the affairs of the Post Office in what he imagines to be order. To the minister I think this means balancing the budget. To those on this side it means paying more money for less service. To people all across Canada it means much less by way of service, particularly the week end service.

I support the suggestion of the hon. member for Hillsborough that a committee study this measure. I make the point that we sadly lack details in this regard. Certainly we have not had sufficient information at the resolution stage to justify the resolution that we are now considering. We should be able to ask questions of officials. If we can put our best collective experience and ideas together and suggest methods of relieving starvation in another part of the world, surely there must be a similar pool of ideas which could suggest how the Post Office could overcome some of its problems.

I think these problems are best summed up in the Canadian Post Office Annual Report for 1967. I quote from page 9 of that report as follows:

> Increases in revenues brought about through efficiencies, rate adjustments and larger volumes were offset constantly by the cost of increased services, additional personnel, rising labour costs and higher transportation charges.

It seems to me that in all the specific areas mentioned, enterprising M.P.s on the house committee could dig in and come up with ideas for our postal service. They could find out the specifics, the a's, b's and c's of each factor I have mentioned. I hope the Postmaster General will be able to answer the questions raised and tell us in the committee what

is the long range projection for these measures.

We are asked to raise the postal rates one or two cents for first class mail, so we get into a six cent category for all mail. Does this stabilize the situation? Does this measure, with the others, overcome the problem the Postmaster General is trying to overcome, or in one year or two years is it projected that costs may go up and new measures will become necessary? I would like to have heard from the hon. gentleman, and hope that at some stage of the debate he will take us into his confidence as to long range planning, what these rates are intended to do now and what they will do in the future.

One of the proposals that I believe is being advanced by the hon. gentleman—if I did not hear him correctly, I hope he will set me right—deals with the newspapers of this country. I have particular reference to the smaller weeklies. Some of these newspapers have in the past enjoyed free mailing privileges: In an editorial in the *Canadian Weekly Publisher* of July, 1967, it was stated:

> Thus we generously estimate (the exact figures have been supplied to the postal authorities by the CWNA Postal Committee) that the Post Office Department handles, free of cost, at the most, some 500,000 copies a week.
>
> During the publishing year, with most newspapers closing one week for a plant holiday, this number amounts to 25,500,000 copies. At the usual mailing rate—three cents for the first two ounces—the annual lost revenue to the Post Office Department is $765,000 at most.

• (8:20 p.m.)

The $765,000 is a far cry from the gap of some $97 million that the minister is attempting to close through this legislation. When this measure comes in I hope some consideration will be given to the problems faced by the weekly newspaper publishers. Let me quote again from this editorial, Mr. Chairman:

> —a small community newspaper is no money-maker to many a publisher. This service to the public is, if the publisher is fortunate, made possible by the job shop and stationery store run in conjunction with the newspaper.
>
> The publisher keeps putting out his newspaper also because it is the only means that provides a voice to the grass roots community and lends it some identity.
>
> Quite often the small newspaper is the only voice through which the government by publicity releases or advertisements can reach the isolated or furthest corners of this country. Thus the newspapers not only provide service to their readers but help the government to communicate with its citizens.

I fully endorse these remarks Mr. Chairman. This matter of giving identity to small communities is important. It is my hope that nothing the minister does or that we here will be asked to do in respect of post office legislation will put any of these small but important areas of Canadian journalistic concern in jeopardy.

If the government wants to generate more revenue let me suggest one quick and handy way: Perhaps he should call on his friend Mayor Jean Drapeau of Montreal. However, I am not suggesting the minister should invite him here to set up some supercolossal lottery which will bail the post office out of this present sea of red ink.

Some residents of Ottawa have drawn my attention to the fact that the envelope which comes to their doors with an invitation to pay voluntary taxes to Montreal—a neat way to describe a lottery—come with the notation "Pull out for postal inspection" or "Tirez pour inspection postale". The glue on the envelope is such that, with heat and the normal jostling of the mail, the envelope seals itself. Thus the envelopes have arrived at the doors without a notation as to their source, because Mr. Drapeau does not put names or addresses on these, which have probably left Montreal as second or third class mail. They arrive in the post boxes of this nation as first class mail because of this self-sealing process. Let me suggest to the Postmaster General that he invite Mayor Drapeau to make a more sizeable contribution to the postal coffers of Canada in respect of these requests.

I have made a few points, and perhaps I will make more during the other stages of this legislation. Let me repeat that I endorse what I regard as the very reasonable request of the hon. member for Hillsborough, that at a very early stage we should follow the successful formula of referring this matter to a committee of the house so that interested individuals would have an opportunity to discuss with the minister and his officials what is surely the most basic service to the Canadian people. I do not think anyone would object to a time limit of a couple of weeks. This is one of the most important services that Canadian people have, because this service affects the lives of all of us.

Mr. Perrault: Mr. Chairman, I think most members of the house have listened with interest to the line of argument advanced by the opposition during the course of considering this resolution. Despite the agitated eloquence and the tortuous line of opposition

reasoning, it is obvious that we have in this resolution a measure which is not only desirable but necessary. It is necessary in the interests of the Canadian taxpayer. It is necessary, and opposition members know it. Indeed, I say this in part because of past pronouncements opposition members have made about the need to improve postal efficiency.

We have been treated today to a labyrinth of illogic.

Some hon. Members: Oh, oh.

Mr. Perrault: What is the proposal?

Some hon. Members: Oh, oh.

Mr. Perrault: What is the proposal?

An hon. Member: We now hear from the oratorical genius.

Mr. Perrault: Mr. Chairman, I suppose we must listen to all this chatter.

Some hon. Members: Oh, oh.

Mr. Perrault: Apparently the opposition slogan is "Don't confuse us with the facts, our minds are made up".

The proposal is to bring to the postal service of this country a degree of equity and economy which has been needed for years, and that it is time to put postal operations in Canada on a sound, efficient and businesslike basis. The proposal is the product of a belief which I submit should go beyond party demarcation lines. For once all should agree to endeavour to promote efficiency in a government operation which will produce benefits for all taxpayers. This instead of pursuing nit-picking arguments which, at times, I believe are not held sincerely by some of the members.

An hon. Member: How about the C.B.C.?

Mr. Perrault: Huge deficits in the postal operation are intolerable and injurious to the economy, and all of us know it. Yet, the intent of the opposition here today seems to be to oppose this resolution and therefore to frustrate any change.

An hon. Member: You don't know that.

Mr. Perrault: On September 29, 1967 the Conservative member for Lambton-Kent said in this house as recorded at page 288 of *Hansard*:

> The citizens of this country are being called upon, in effect, to subsidize the second class mail operations of the Post Office. How much more of this inflated cost of doing business, this inflated cost of living, can the Canadian public accept and still survive.

That is the position the Conservative party stated in this house one year ago.

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

Mr. Perrault: No.

Some hon. Members: Oh, oh.

Mr. Nowlan: I should like to ask the hon. member a question.

An hon. Member: Sit down.

The Deputy Chairman: Order, please.

Mr. Nowlan: Would the hon. member for Burnaby-Seymour permit a question? Is he afraid?

The Deputy Chairman: Order, please.

Some hon. Members: Sit down.

The Deputy Chairman: I must remind the hon. member that the hon. member for Burnaby-Seymour has the floor.

Mr. Nowlan: Is he afraid of the question?

Some hon. Members: Sit down.

The Deputy Chairman: Order, please.

Some hon. Members: Order, order.

• (8:30 p.m.)

Mr. Perrault: We heard the tragic appeal of the Conservative party last year: "How much longer, oh how much longer this inflated cost of doing business can the Canadian public accept and still survive?" How many spoke in terms of the "poor Canadian taxpayer"?

Mr. Nowlan: Sit down.

The Deputy Chairman: Order, please.

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

The Deputy Chairman: Order, please. Would the hon. member resume his seat. It is a rule of the committee of the house that no member has the right to interrupt another member during his speech.

Mr. Nowlan: On a point of order, Mr. Chairman.

The Deputy Chairman: No hon. member has the right to interrupt another hon. member unless the hon. member who has the floor gives permission to the one who interrupted him to ask a question. To the present instance the hon. member for Burnaby-Seymour did not give such permission.

Mr. Nowlan: On a point of order, Mr. Chairman.

The Deputy Chairman: Order, please. The hon. member for Annapolis Valley on a point of order.

Mr. Nowlan: It was farthest from my mind to interrupt the hon. member for Burnaby-Seymour. All I asked the hon. member was—

Mr. Whelan: Mr. Chairman—

Mr. Nowlan: The parliamentary secretary comes from a constituency which grows tomatoes, but he happens to be concerned with fish. All I want, Mr. Chairman, is to ask the hon. member for Burnaby-Seymour if he would permit a question.

The Deputy Chairman: That is not a point of order.

Mr. Whelan: On a point of order, Mr. Chairman.

Mr. MacEwan: The parliamentary secretary is interrupting again.

Mr. Whelan: A question of privilege, Mr. Chairman. I would like to inform the house that this member comes from an area which also has the largest fresh-water fish processing plant in the world.

The Deputy Chairman: This is not a question of privilege, and I would ask for the co-operation of the committee at this time.

Mr. Perrault: If the hon. member for Annapolis Valley would send me a letter, I will deal with his problem.

Mr. MacEwan: This is the would-be prime minister of British Columbia.

Mr. Perrault: Some members of the opposition should learn to squirm sitting down.

Mr. Chairman, I am suggesting to the house that we have listened to invalid political arguments advanced by the opposition this afternoon. Why was it valid for the Conservative party in 1967 to advance the view that the Canadian public must have reforms in second class postage rates, when in 1968 the action contemplated by the minister which would give effect to these appeals is being opposed by the official opposition?

Mr. Monteith: That is wrong.

Mr. Perrault: Look at the record. How else can you interpret the quality of the opposition arguments? This is what the hon. member said, last year. He said Canadians are being forced time and time again to dig deeper and deeper into their pockets, and he suggested that the people "cannot take any more weeks like the past one". There is an opportunity tonight for the opposition to achieve the reforms they advocated last year by supporting the measure before the house.

Mr. Monteith: Give us a little service.

Mr. Perrault: —to implement the kind of reforms they were demanding in the house just a few months ago. We are told also by certain opposition spokesmen that the measure will "hurt the little people".

An hon. Member: Hear, hear.

Mr. Perrault: I hear the words "hear, hear". It is almost as though the members of the opposition are attempting to suggest that a deficit approaching $100 million is somehow highly beneficial to the little people.

Mr. Nowlan: What about the C.B.C.?

Mr. Perrault: Inflation and unmanageable deficits are far more injurious to the "little people" of Canada than reforms which would make people who use postal services pay for them. The post office is a service industry. It is not in the category of the Department of National Health and Welfare; it is not in the area of regional development; it is not to be equated with the medical care program. It is a service industry and it is one of the most efficient postal services in the world. The government is simply suggesting it is time to put it on a pay for service basis.

Some hon. Members: Hear, hear.

Mr. Perrault: We are told in the argument advanced by the opposition that this measure will hurt business. I will not repeat the arguments in reply which have been advanced here. I too, am the recipient of the so-called junk mail, and I think it is time that junk mail paid its way.

Mr. McGrath: The hon. member deserves it.

Mr. Perrault: Among other goals, the government is attempting here to advance measures which will fight the fires of inflation. The same hon. members who are so eloquent in defence of deficits in the Post Office are the ones who next Monday morning will be telling the house and the press that it is intolerable that any budget deficit exists. They are the ones who will make these kinds of charges. They will tell their constituents.

Mr. Nowlan: The truth is that they have a deficit.

Mr. Perrault: They will say, "Is it not tragic that we have this large budget deficit?" Yet, when they are called upon to vote for a measure which will help fight inflation and reduce the deficit, they will not support it.

Mr. MacEwan: The hon. member says this measure will fight inflation? What nonsense.

Mr. Perrault: All of us should support endeavours to make the user pay fairly for his postal service. This is one way we can really help the little people.

Mr. MacEwan: Turn over the page.

Mr. Perrault: It has been suggested by some hon. members that there are certain inefficiencies in the postal service. Yet the Glassco commission was highly complimentary about the Canadian postal service. A review of the Post Office Department services by the Glassco commission produced a tribute to the work of the department, as recorded at page 309 of volume 3 of the Glassco report, where it states:

> The Post Office Department has attained a commendable degree of efficiency.

Yet the argument is advanced that "inefficiencies" should be rooted out and that a reorganization should take place before any rate reforms are attempted. It would have been easier for the new Postmaster General and for this government to maintain the status quo, to defend the archaic rate structure and to refuse to act in an area where action has long been required. But I am sure I speak for the majority in this house when I say that the minister is to be commended for acting decisively to make one of the world's greatest postal systems even more efficient.

Mr. Nowlan: Pay more, get less.

Mr. Perrault: A courageous endeavour is being made here to establish sound economic principles with respect to a vital national service. This is not an issue in which politics should be played.

Mr. Nowlan: Why is the hon. member playing them?

Mr. Perrault: One of our fathers of confederation, a member of the Conservative party, said the following:

> However much the Canadian taxpayer may favour a policy of strict economy in the abstract, he likes nothing so little as its application.

And here we have a perfect example. We have had the abstract argument advanced by the official opposition that economies must be made.

• (8:40 p.m.)

Mr. Nowlan: On a point of order, Mr. Chairman; it is a well established rule of this house that when a member quotes something he has to give the source of the quotation. Now, there are many fathers of confederation and many fathers of Conservatism, past and present. I should like to know who the hon. member for Burnaby-Seymour has for an author.

Mr. Perrault: If the hon. member would like me to oblige, the quotation is from Volume II, page 141 of the "Memoirs of Macdonald (1894)".

Mr. Nowlan: Mr. Chairman, that is the old master.

Mr. Perrault: I should like to conclude by summarizing my argument. First of all, the Post Office Department is not like the Department of National Health and Welfare; it is not like the government's area development program; it is not in the category of national medical care. It is a service for which people expect to pay. People who receive good postal service expect to pay for good service.

When second class mail is subsidized to the extent of 78 per cent by the taxpayers of this country and the people of Canada recover only 22 per cent—and many of these people are the "little people" for whom members are concerned—when the Post Office has a deficit approaching $100 million, when reforms must be initiated in first and second class rates to pave the way for needed changes in third class mail rates, then I say the evidence is overwhelming for the need for reform in this area. We have to bring postal rates and service into the twentieth century. If the opposition members want to serve the Canadian

people this evening, they are going to support this resolution.

Mr. Rynard: First of all, Mr. Chairman, I want to congratulate the Postmaster General on his appointment. After congratulating him, I should like to remind him that he is sitting in the seat that has a very high mortality rate. It carries a death rate of one per year over the last eight years. I do not know if he is fully aware of the great risk he is taking, particularly when he introduces this particular bill. I was very interested in listening to the hon. member for Burnaby-Seymour. I was unable to decide whether he was preaching for a call or wanted to convince himself of the correctness of the attitude he was taking.

I should like also to congratulate the minister upon taking another look at the plight of the rural mail carrier. He seems to have listened not only to the members of the opposition but to members on his own side and looked at the unfairness of the decision he originally took. I want to congratulate him because I think a man is bigger when he can take a look at some of these things and then decide what is fair and right. I believe the minister has gone quite far in correcting the situation, but he still has not allowed these rural mail carriers full compensation. Their gas and oil and a few other things may be deducted. I hope he does not put these deductions on a mileage basis and charge the rural mail contractors seven cents a mile for the miles they did not travel.

I have a great deal of respect for people who work inside and outside of post offices. They have a rigid system to which to adhere, and some of them are even spied upon as they work. Those who work outside have to face elements of weather and risk, the cold and the wet, as well as the rush and hurry of people who overload them at certain periods of the year. Having said this, I must say I do not believe there was any necessity for a strike in July. I feel that this parliament must accept some of the responsibility for the strike. Over the years since 1956 the reforms needed in the Post Office Department were pointed out over and over again. In other words, Mr. Chairman, the postal employees were forced into a position of having to strike. This government, and to some extent previous governments, must accept the blame for this situation.

I do not believe it is proper to give employees in an essential service such as the postal service the right to strike. I believe the very nature of their service denies the right to strike. My reason for saying this is best explained by an incident that took place in the city of New York when I was visiting there this summer. A medical doctor, a surgeon, happened to tell me that since we had a postal strike in Canada, that he had sent a pathological report to a patient of his in the city of Montreal, but the report had been turned back at the border because there was no mail delivery. This was a critical case, and I suppose the same thing could happen all along the border from the Atlantic to the Pacific. Cancer cells had been picked up in the specimen they had examined from this patient, so it was very important that the patient receive the report. We thought about what to do, and I said, "Why don't you send him a telegram and ask him to call you?" This is what the doctor did, because these reports are confidential. I am mentioning this case because there were many other such cases perhaps in which reports were not received until the strike was over. This is not a laughing matter, and could be a matter of life and death.

The strike also affected pensioners and those on welfare. These people run close to the line and when they do not receive their cheque hardship is often caused and suffered. Then, too, we must consider the loss of business and the lost orders. There were millions of dollars lost during this strike. Therefore I say that the responsibility for the strike rests squarely on the shoulders of the Postmaster General and the government. He cannot get out of it. If these employees had been treated fairly and honestly, I do not believe there would have been any strike. I think it is up to us, up to parliament, to make sure that these employees receive a fair, honest deal so that there is no reason for a strike. Surely, in this day and age there are ways for employees and employers to get together with a neutral arbitrator to come to a just decision. As a matter of fact, I would blame the government for this strike because they did not correct the faults that were pointed out in the past.

The minister referred to rising costs as a reason for increasing postage rates. I want to ask him if the efficiency of his Post Office, with all the computers and technological advances we have today, should not have been able to keep up with these rising costs? This is no excuse whatever. If business firms operating across Canada do not keep up with rising costs, then they are out of business. No one knows that better than the Postmaster

General because he is a graduate in economics. The minister said that 80 per cent of the postal business is done during five days of the week. If the service is reduced, it will mean that one in five will be hurt, and this is a fairly large segment of our community. One result will be that mail that goes out on Friday will not be delivered until the following Monday, especially in rural areas.

Now, we propose to go backwards in this Post Office Department. We propose to put up costs by $8.5 million in increased postage alone, first class. I think the Postmaster General and also the hon. member for Burnaby-Seymour realize quite well that by increasing costs, about which we have been preaching in parliament both before and since the hon. member came here, you cause inflation. The Postmaster General is adding to this inflation. He argues where in the world will we get the money to pay for this hundred million deficit if we do not increase charges to individuals or firms using the postal facilities? Mr. Chairman, this is inflationary.

• (8:50 p.m.)

The cost of money orders has also increased. Apparently they are not competitive any more it is easier and cheaper to write a cheque. It looks as though the Post Office is not efficient enough to make them pay. The Postmaster General is a brilliant man in the field of economics, and I am wondering why he has to take this step backward instead of trying to make this department efficient enough to overcome the problem.

I have been receiving some mail that objects to this step that he is taking, Mr. Chairman. I have also read a lot of press articles that criticize it. The Postmaster General admitted today that he either had a hot press or a cool press, depending on what he read. I should like to read an article that I received in the mail yesterday headed: "More 'Go!', Less 'No', is what Post Office needs". The article goes on:

> The announcement by Postmaster General Kierans of the cutting off of any Saturday mail services, effective February 1, is merely the latest in a series of retrogressive measures by which the Post Office has steadily diminished the standard of its services.

I am sure that the Postmaster General knows much better than I do that years ago penny postage was inaugurated. Before that time sending a letter cost $1 more or less. Generally the person who received it paid the dollar. The sender did not. Poverty in those days dictated that if a letter was in a certain handwriting you did not pay the dollar, but returned it to the Post Office. It then went back to the dead letter office and finally I suppose, to the sender. That was some way to run the Post Office. Then the penny postage was tried and the Postmaster General knows what happened. Mail increased tremendously, until today the British post office system is one of the finest in the world and, as the Postmaster General knows, is paying its way.

This article to which I refer, Mr. Chairman, is interesting because it goes on to say:

> In no other field have Canadians experienced so drastic a reduction in service, accompanied by so marked an increase in cost;—

The Postmaster General has not been here too long, but he is making his mark. But what a mark!

> —in no other field do Canadians pay so much more for so much less.
>
> It is typical of the defeatist approach of Canada's post office authorities that they should approach this latest problem of financing from the negative side. Faced with any policy decision, Canada's postal chiefs invariably resolve them by simply eliminating or reducing services, instead of improving and modernizing them and developing new sources of revenue. The result has been to give Canadians, in this age of expansion and acceleration, a standard of mail service that is slower, less frequent and less convenient than that enjoyed by previous generations in what we regard as a more leisurely age.
>
> As a recent round-the-world survey showed, people in rural England enjoy a better standard of service than the best that can be found in supposedly sophisticated Toronto, while residents in many of the world's capitals enjoy a range and speed and frequency of mail service beyond a Canadian's wildest dreams.
>
> The difference in approach of Canada's Post Office and that of more advanced countries can be seen in the advertisements in British newspapers. The British post office buys ads to encourage the British public to make better use of mail facilities, stressing the cheapness of such service and the speed and convenience of the medium, increasing revenue by increasing volume.

How are the government going to do this in view of the present path that they are following?

> By contrast Canada's Post Office buys ads only to warn Canadians of reductions in service, to sector them about deadlines (No Christmas mail will be delivered if posted after such-and-such a date!) or to warn about some new category of mail which will not be accepted. For all of this, Canadians pay an exorbitant rate which has increased in proportion as the standard of service has declined. Presumably, such a policy can only reflect an official post office view that the ideal aimed at is one of no mail at all, at enormous public expense.
>
> It is time that all this was changed. It is time that the Post Office was brought into the 20th century.

That is what I had hoped this new Postmaster General would do.

It is time that new procedures were introduced, utilizing new computer-era technology, to both reduce costs and speed up service. It is time the Post Office campaigned aggressively for new standards of revenue, new standards of service. The only way this can be achieved is to introduce, from the world of business, a whole new administrative executive—

We have introduced a man of business, and I am hoping that he will see the light.

—to replace the men who presently head our post office system. Only by removing these fuddie-duddies, with their archaic, pigeon-hole concepts and negative outlook, can our postal services be streamlined to a standard worthy of this great and growing country.

I am sure that the Postmaster General would like to see some more of these editorials because they are very interesting.

In concluding, Mr. Chairman, may I say that cutting off the rural mail carriers' Saturday deliveries increases the cost of doing business, and rightly this must be considered. A rural mail carrier is all set to go, but is now going to be deprived of one day of service. He requires a motor vehicle and needs to keep it operative for six days a week, but now he will only use it on five days.

The Postmaster General referred to the possibility of amalgamating rural routes. I do not know which routes the minister was thinking of, but some that I am familiar with have as many as 300 to 400 patrons. Two such routes would mean delivering at the rate of 60 to 80 patrons an hour for a 10 hour day. I am not saying that this is the general rule, but some routes do have that number of customers, particularly tourist areas in the summer. If the Postmaster General is unaware of this I would be only too pleased to furnish him with the information.

Let us suppose that some routes are amalgamated and service is cut down. Mail will go out from ten to twelve o'clock in the morning and will be sorted by twelve o'clock. By the time the carrier gets around his route he will be ready for his bedtime meal, Mr. Chairman. If the Post Office is unable by new methods of procedure to keep costs down, then I think we will have to take another look at this sacred cow. We give $150 million to the C.B.C. without quibble. We also give money to transport and other departments. We pump millions of dollars into them.

• (9:00 p.m.)

The Postmaster General is trying to balance his accounts before he has had a chance to look into the problems of the department. I would expect a man of his brilliance and background to introduce new methods of cutting costs. After all, Mr. Chairman, our old age pensioners cannot afford colour television or the luxury of flying, but they do like to write letters to friends. Not long ago I saw four old people in a home who had been writing letters for two hours or more. One of their joys was to send mail out to their friends and hear from them.

I am sure the minister has not studied this problem enough, or with sufficient care. I hope that after the resolution stage the minister will look at the matter with great care and apply the solutions to it that he should be capable of formulating.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I join with other hon. members who have taken part in this debate in welcoming the Postmaster General to this house. He may think we have strange ways of expressing the warmth of our welcome; really, we are trying to make him an instant member of the club, by opposing his first measure.

An hon. Member: He will get used to it.

Mr. Knowles (Winnipeg North Centre): As the minister knows, I have already indicated that we feel he is giving us a rather large package, some elements of which we are allowed to vote on but some elements of which we are not. In our view the package adds up to increased charges and decreased service, and therefore we do not like it and, as it stands now, we intend to vote against it.

I believe there is merit in the suggestion made by the hon. member for Hillsborough that this matter be referred to a standing committee of the house. If there are sound social and economic arguments in favour of this measure, which I doubt, I think it might be a good idea to give officials who can expound these arguments a chance to do so before the members of a standing committee. I am convinced that if the minister were to indicate that this would be done, debate on second reading would be quite short. We would not want to spin out that debate if we had the opportunity of having this matter considered in a standing committee of this house.

The arguments for the changes the Postmaster General is proposing—changes on the one hand involving increased charges and, on the other hand, involving decreased service—are based on two companion clichés. We have

heard both of them several times tonight. The first is that the post office service must be put on a pay its own way basis. The second is that there is a $100 million deficit which must be taken care of and, of course, the only way to take care of it is by increasing the charges for postal services.

May I take a moment on the first of these two companion clichés, even though colleagues who have preceded me have touched on it, as still others no doubt will. Despite what the hon. member for Burnaby-Seymour suggested a while ago, the post office service is not unlike other services provided by government. Many services provided by government at all levels do not, in themselves, pay their own way. That is, they do not directly gather in revenue equal to their cost. But the services are good for the community as a whole, good for society, good for the country, and therefore, in the long run, they are profitable to us even though in the actual bookkeeping they seem to run at a loss.

So far as government is concerned education does not pay its own way; indeed, it is all pay and no income. But surely, education pays tremendously in the life of the country. National defence does not pay its own way, but it is there if we need it. So one could go on talking of many services. I suggest if one tries to imagine a country without a postal service, without communications, he would realize how impoverished our life would then be. In other words, the value of having a postal service is immeasurably greater than the disadvantage from any deficit that may result from the rate structures we have at the present. I think, therefore, that the Postmaster General should not expect us to swallow his legislation just because he and some of his supporters keep talking about the necessity of the postal service to pay its own way.

The second of the two companion clichés was expounded very loudly a few minutes ago by the hon. member for Burnaby-Seymour. He said, "There it is; we have a $100 million deficit. It must be recouped. What other way is there to do that except by raising the postage rates?" He chided the opposition for opposing this way of recouping losses, as though we liked the deficit or wanted the country to go into the red.

There are many other areas of government service where there is a deficit and where revenue has to be raised. But because those other areas are service areas we recognize that there is a case for collecting the deficit not just from the direct users of the service but from the taxpayers as a whole. I have searched my memory to recall what the Postmaster General said about the Carter report. It seems to me that at some point along the way he expressed interest in it and said it was a useful document. In any event, I commend it to him in support of the proposition that there are services that are best paid for, not by direct charges to the specific users of those services, but by a levy imposed according to ability to pay because of the benefit that everyone obtains from that service as a whole.

The Postmaster General and others said that some of us on this side of the house were defending business because we did not want business to pay more for its first class mail. I submit we are not defending business at all. If there is a $100 million deficit, we want that made good through steeper taxation by implementing the Carter report. We think that this is a fairer way to take care of this deficit than by exacting a charge of 1 or 2 cents extra on every first class letter that is written by everybody in this country, be that person a businessman, housewife, old age pensioner, or what have you. This is just plain, ordinary regressive taxation.

I suggest, therefore, after all the vaudeville we heard and watched half an hour ago is over, the plain fact of the matter is that the arguments for the Post Office paying its way and for meeting this deficit by charging an extra one or two cents on first class postage fall to the ground. But I accept the proposition of the hon. member for Hillsborough that this matter be referred to the standing committee so that it can be studied and, so to speak, got at a little more rationally than has been the case today in this committee of the whole.

I wish to raise three more points on which I shall not take undue time. First, we think it is unnecessary and unfair to raise the first class postage rate to six cents. We think this is a hardship—not on business people; many of them can well afford it—it is a hardship or will be a hardship on many people, even though the number of letters they may write in a month or year may be few.

• (9:10 p.m.)

We also think it is inconsistent for the government to talk about putting the service on a pay-its-own-way basis and then to say that a letter which goes across the street or a letter which goes into a rural post office and is shifted to a box only a few feet away, should pay the same rate as a letter sent from Vancouver to St. Johns. If the principle is argued

at one point, why is it dropped at another? We think the whole concept of the six cent rate, and the concept of all first class mail paying the same rate, are false, and therefore we shall vote against this resolution.

There is another area in which we suspect we are being sold a bill of goods. I have in mind the fact that the minister has not yet given us precise details as to what will happen to the rates for second and third class mail. We have made the point many times that in our view the so-called junk mail should pay its way. We think the big newspapers, the catalogues from the department stores and so on should pay their way. The minister should not be asking writers of first class letters to pay more so as to make up for deficits brought about by the carriage of these other classes of mail at a loss.

At the same time we think there is an essential unfairness about the attitude taken by the minister inasmuch as he makes no distinction among the various categories of second and third class mail. Consideration should be given, for example, to the position of charitable organizations, groups such as the War Amputees Society, which has no doubt written to other hon. members as it has to me, and similar organizations which send out mail at less than the first class rate. In my opinion it is unfair that they should be grouped with those who send out newspapers, catalogues and junk mail.

There are organizations of various kinds which do have special claims. I think the same might be said about Christmas cards. After all, the sending of Christmas cards is a tradition in our society, and the inclusion of Christmas cards among some of the other categories which are to be charged higher rates represents a failure to distinguish among the various classes of mail.

As the Post Office Act is drawn up, we have an opportunity to vote only on the proposals which affect the first class rate; we do not have the opportunity to vote on the other rates which are covered in the general provisions of the act. The minister told us the other day when he made one of his announcements that he intended to make these declarations from time to time, so that when we got to the legislation we would have the complete picture before us. Yet today, when one of my colleagues was speaking, the hon. gentleman suggested he was talking about matters not relevant to the resolution. This demonstrates that there are some provisions, some rates, over which he has complete control. He can laugh at us here in the House of Commons. There are only two or three things for which he has to come to parliament to get approval—the first class rate, for instance. This is a strong argument in favour of the proposal made by the hon. member for Hillsborough that the whole measure might well go before a standing committee for thorough examination, with the officials of the department present to answer questions and to let us know the theory which forms bases for these decisions.

I wish to comment also on the proposal to reduce the postal service to five days a week. The hon. member for York East tried to suggest that this was only for a trial period, and that if it did not work the six day service could be restored. Well, we have heard that before. The Postmaster General did not say that. He knows that if the Saturday service is dropped it will probably be gone for a long time if not for good. We recognize the desire for a five day week, as far as the employees are concerned. Post Office employees generally do work a five day week, and the hope is that some day they will work a four day week or, if that is not possible, a seven or eight month year. These are the kinds of changes we stand for and the kinds of changes which will come.

I submit, however, that there are many inconveniences which will arise from the fact that letters posted on Friday will not reach their destination until Monday. I would remind the Postmaster General of the several occasions each year on which there is a holiday on the Monday. This will mean that letters posted on Thursday night or Friday will not arrive until Tuesday. We are asking for a lot of trouble by imposing this proposed five day week service.

Here is another example of something which I think is wrong in the Post Office Act. The minister has to come before parliament to get the first class rate increased by 50 per cent in the case of local delivery, or by 25 per cent in the case of out-of-town deliveries. But he does not need to come to us in connection with this even more drastic proposal to reduce delivery service to five days a week. He may be glad of that, in view of the trouble he is having in getting this postage rate increased through parliament. But surely, as the democrat I assume he is, he must find it strange to be in a position where all he has to do about the five day week is to announce it.

Parliament can complain through the spokesmen of the opposition parties, but he is sitting there as boss and can put it into effect. Surely he does not agree with this practice.

I might also point out that the dropping of the delivery service on Saturday will place many people in the position of having to pay extra in order to get important communications through. The minister has told us that a special delivery service will be available on Saturdays and Sundays. Is it not likely that many people will need to have recourse to this more expensive way of having communications delivered? All in all we consider that this reduction of service to a five day basis is a retrograde step and that the minister should not proceed in it.

As I say, I have not tried to join in the show we witnessed a while ago. I think this is a very serious matter. As we see the whole package, it is one of increased charges and reduced services. We do not like that package and we have no option but to vote against the parts of it which are before us, in protest against the whole proposition. I hope the minister will indicate his willingness to accept the suggestion that after second reading, if it cannot be done earlier, the bill be sent to a committee so that it may be fully studied. Meantime, we shall vote against this regressive resolution.

• (9:20 p.m.)

[*Translation*]

Mr. Matte: Mr. Chairman, I do not agree, of course, that it is advisable to increase postal rates, as proposed now by the Postmaster General (Mr. Kierans). It should be considered that this service is one of the most popular in the country now, in the sense that all the people have at least the possibility to use it, at a price which is really reasonable.

Taking into account the policy of the government which, in the last few weeks, has tended to cut down, to impose restrictions here and there, it might have been expected that following the reduction in some services, the Post Office Department would even have offered all the people of the country a rate reduction instead of an increase of one cent. But it seems that the government does not intend to do that.

It might be necessary to find another solution besides increasing that rate and I think that it might be in order to look for the real reasons for the department's deficit. It might be explained by the fact that the costs of various other departments are borne by the Post Office Department, as mentioned in that department's annual report for 1968. Would it not be in order to make a more detailed study to find out whether expenditures were excessive, whether there is an anomaly, in short whether the Post Office Department is not used as a milch-cow by other departments because, according to the volume of mail, the number of businesses and homes served and the possibilities of the post office, it seems to me that this deficit is hard to understand. I even feel that it would be one of the rare services which could show some profit.

We are not paying for poor management or, I should say, we are not asking the citizens of the country to pay for poor management. Instead we should find out exactly why there is a deficit. It seems to me that the explanations given in the annual report are not clear enough. We should be told how much is spent for premises, accounting services, issuance of cheques, employer's contributions to the pension fund and the Canada pension plan. It seems to me that we should be told exactly how all that money has been absorbed by the Post Office Department and why, in fact we have a deficit. I say that, Mr. Chairman, because, from the start, we were told that is the explanation for the deficit, since for some years now, the department was rather in a surplus position.

Therefore, we should preserve the quite popular aspect of the Post Office Department, namely that every citizen should have the opportunity to use the postal service at minimum costs. If we establish a precedent through a continuous increase in the cost of this service, it will end up unfortunately like many others as an expensive service. While every citizen now has the opportunity to use a rather low-cost service it seems that it is a bad time, in a period of restraint as we witness now, to increase this rate.

I hope, Mr. Chairman, that the minister will reconsider this matter and that, in due time, he will be in a position to give up that increase.

Mr. Mongrain: Mr. Chairman, I will be brief because I think there is not much to add to what has already been said, except perhaps sum up the matter.

I have had the opportunity to follow the debates of the house for some years, but it does not happen every day that we see so many inconsistencies in discussing a problem.

Here is the whole matter in a nutshell. We have a postal service the operation of which shows a deficit, and we have to decide who is

going to make good the deficit. We must decide whether it will be the general public, through increased taxes, or the patrons. On that matter, I heard all sorts of remarks. I even heard the member for Simcoe North (Mr. Rynard), who is usually responsible, say that some persons who would like to write to cousins or nephews were abstaining from doing so because it would cost a little more every week. Is it possible to suppose that these people will spend 50 cents more if they write one letter a week, for instance. There are not many families doing that.

I heard earlier the member for Champlain (Mr. Matte) say that this is a people's service of which our people should not be deprived. It is obvious that it is popular, Mr. Chairman. If the government could give everything free of charge, it would gladly do so, but there is a principle to maintain: Someone must make good deficits. We get nothing for nothing in this world. Who is going to pay? Will it be the public at large, people who do not write letters, or those who send mail described earlier as dead-letter mail, which nobody wants, or the patrons of this service?

It seems to me that the answer is simple. Those who make use of a service must pay for it.

Someone tried to make a comparison between the C.B.C. and the Canadian National. The comparison does not stand. If the government wanted the C.B.C. to be a business concern, it would be a paying proposition, but for the government, the C.B.C. is something else. This service cannot be appraised in terms of the revenues which it can yield. Then, the C.B.C. would welcome any publicity like certain other television stations. In the case of transportation services, the same applies. They were established at a time where it was impossible to make ends meet under the circumstances. Canada was being developed, and by opening means of communication, the government was doing its duty. It is not at all the same problem. The postal service should pay its own way; we have incurred a deficit of several million dollars and we must admire the courage of the minister who has just stated: Those are the facts, those are the figures. There is no quibbling here. The deficit amounts to some million dollars. Someone must pay. Who will it be? Will the people pay through increased taxes? There, I see the opposition objecting. Will the users alone pay the costs? If taxes are increased, the opposition which is already blaming the government for having spent $400 million beyond estimates will be heard. In fact I see, it immediately pointing a finger at the government and saying: Increasing taxes is outrageous.

Mr. Chairman, let us be logical, let us be reasonable, let us be real businessmen, let us be realistic, let us be logical. If it costs so much, we shall obviously have to pay so much; someone must foot the bill. If we increase taxes, who is going to foot the bill? The poor, on whom we are showering our pity. Mr. Chairman, my impression is that without realizing it—but perhaps we even realize it—we are politicking so much that we are falling a prey to demagogy. To me, it is clear that two and two make four. It has been suggested that the matter should be referred to a committee. This reminds me of a certain maxim I am sure my English-speaking friends understand even better than I do: Too many cooks spoil the broth. The more there are people to settle a problem, the less things work out.

Let us then allow the minister to assume his responsibilities and if, one, two or three years, from now he is found to have been wrong, thê voters will always have the privilege of asking him or the government to give an account of themselves. However, for the time being, they are trying to gain time by using incredible arguments.

I heard earlier one of my hon. friends on the other side of the house criticize Mayor Drapeau for having set up his lottery and taken advantage of a certain latitude granted under the Post Office Act. On the contrary, we should congratulate Mayor Drapeau for having shown such initiative, and I think that everybody—setting aside partisan feelings—would wish to have a mayor as dynamic and intelligent as Mayor Drapeau of Montreal, when it comes to municipal problems.

Mr. Chairman, I think—and I repeat once more—that the users should pay for the cost of postal services. I know that none of us like to pay, whether we can afford it or not. In fact, we do not like to pay our taxes, we do not like to pay our rent, we do not like to pay our bills at the end of the month. It hurts of course, but somebody has to pay. Would not the rational way of paying the bill be to divide it between those who use the post-office services? It seems so obvious to me that I am surprised we had to speak for such a long time to settle the matter.

The hon. minister said: We will have to try—note he did not say it was definite—to apply restrictions on the postal service.

We should wait, in all objectivity, to have proof that those restrictions are truly prejudicial to the users. It struck me how the minister stated the case, because he left us an open door when he said: It is an experiment, the matter will remain open. He did not use those terms, perhaps but that is what I understood. It will remain open and if it is proven that this is truly prejudicial to the community, we are ready to accept suggestions and reconsider our decisions. He has already done so in the field of the highway service.

Mr. Chairman, what is the meaning of that? I feel that we are still resorting to demagogy and moreover an easy demagogy. It is always easy to take the floor and say that the people are oppressed and that they have to pay beyond their means, when we all know that we are going through a difficult financial period. That does not apply only in Canada. It is an international concern. It is easy to take advantage of that situation and say that the government is unfair, that it oppresses and persecutes the poor people. Imagine: It is asking one cent more per letter, when the average Canadian does not mail a letter a week. What will that cost in a year?

• (9:30 p.m.)

Advertising agencies, business concerns, make use of the postal service, and they are in business. They can pay for the services which brings them profits; it is not up to those who write only five, ten or at the most 50 letters a year, to pay for the others.

Mr. Chairman, to my mind the situation is so clear that we should not complicate matters with partisan or demagogic considerations. To sum up the situation, postal services cost so much they must pay their own way. The same can probably not be said about all federal government services, true enough. But, with regard to postal services, it is so true that it should be profitable, that I am of those who agree that it should be entrusted to private enterprise which would then have to take the necessary means to make ends meet. I am not saying that the solution is ideal at the present time, but I feel that, in due course, there may be good reason to study that suggestion.

And so, not only should the Postmaster General not be blamed for this bill, but we should, on the contrary, underline the courage he has proved; for, in politics, it is never profitable, at least it does not seem to be, to tell the electors: You have to pay more for the services you are provided with.

[Mr. Mongrain.]

However, Mr. Chairman, I think that today the Canadian citizen is rather well informed. He is not undully impressed with demagogic considerations which used to influence him in the past. He has a craving for truth, he wants to be sure that two and two make four, he wants to know whether he is told stories or the truth even if the truth is hard to take.

I think that the Postmaster General has shown courage in introducing this legislation and other related measures which, in the long run, will prove this very simple fact, namely that someone has to pay for everything our citizens receive. Who is going to pay for it? There is no magic in our world and it seems to me that the simplest way to put it is to say that the patrons will pay for it. For this reason I unreservedly support this bill and I think that all fair-minded members should support it too.

[*English*]

Mr. Alkenbrack: Mr. Chairman, it has been said that this institution, the House of Commons, is a full length mirror that unerringly reflects our capacities, mediocrities, motives, maturity and magnanimity. I thought while listening to the minister introducing this resolution to amend the Post Office Act that this saying certainly holds true and can be applied to the minister in this case and to much of the legislation in general with which we have dealt in the house.

The hon. member who has just resumed his seat, the one time independent, and now the Liberal member for Trois-Rivières, said during the course of his remarks that too many cooks spoil the broth. This and the two preceding governments are a good example of this proverb. We have reached the stage where the deficit and inefficiency within the Post Office Department is so great—I am just taking one department as an example—that the saying has come true, and that too many cooks have spoiled the broth. I do not know how many postmasters general we have had during the past six years.

An hon. Member: Seven.

Mr. Alkenbrack: But too many cooks have spoiled the postal broth.

[*Translation*]

Mr. Mongrain: Mr. Chairman, I rise on a question of privilege, because my honourable friend ascribed to me certain statements that I did not make.

He takes a quotation and serves it up according to his whims. To my mind, he has no right to say that when I mentioned the proverb: Too many cooks spoil the broth, I was alluding to the fact that there have been so many Postmasters General in recent years, that this explains why things are in such a bad shape. My honourable friend is drawing a conclusion which is neither reasonable nor honest, and I should like to call him to order.

Even if my honourable friends resent my setting the record straight—

[*English*]

I will say it in English so I will be better understood. My hon. friend is trying to give a meaning to my remarks that I did not intend.

Some hon. Members: No.

Mr. Mongrain: Do you object to my speaking in English? It is not as perfect English as your perfect French, but I have to say something.

Some hon. Members: Hear, hear.

Mr. Alkenbrack: Mr. Chairman, I am sure you will agree that the hon. member for Trois-Rivières has made my point for me. I started to talk about the resolution. This resolution including the newly proposed five day week, thus reducing the postal service available to the people of Canada and at the same time increasing the cost to the people, reflects a lack of capacity of the Trudeau government. It reflects their mediocrity; it shows their immaturity and lack of stature in their efforts to serve the Canadian people.

The Canadian people expected something far more efficient and dynamic than the measures we are getting. I can do no better, in order to make several other points—and I am sure other hon. members will agree with those points—than quote from the Sault *Star*. I do not often quote from the Sault *Star*, although the Sault familiar to me is a "suburb" of the place in which I was born, namely Plummer township, Rydal Bank, Algoma district, Ontario.

• (9:40 p.m.)

The Sault *Daily Star* of Thursday, October 8 states this under the heading "Post office service must improve":

> The national Post Office has been the centre of unfavourable attention from Canadians in recent months. Whether or not this situation continues remains to be seen. Certainly, there are avenues open for the Post Office to redeem itself. That is if it has the foresight and initiative to explore these avenues.
>
> The events of recent months which brought the Post Office into disfavour started with the postal workers' strike. This strike lasted for three weeks through July and August and depressed and irritated a public deprived of an essential service.
>
> With the settlement of the strike came the news there would be a hike in postal rates to offset the post office deficit and pay for the postal workers' wage increases. The word was that the postage rate for all first class mail—local and out of town—would be six cents.

Let me remind the minister that this represents an increase of 20 per cent in that service which adds to the cost of living in this country. Let me quote further from this newspaper:

> Then, the other day Postmaster General Eric Kierans announced that starting Feb. 1, 1969 there would be no postal deliveries on Saturday and post offices will be closed on that day. This action said the Postmaster General was necessitated to cut down office costs.

Let me intervene briefly at this point to ask in what way this will cut down office costs? Thousands of people who work in the postal department will receive the same take-home pay after February 1, 1969. I am sure no one in this house wants to lower this take home pay, but I submit that administrative costs will remain about the same. This article goes on to say:

> All of this has done nothing to win friends and supporters of the Post Office among the Canadian public.

The article also states:

> However, while there may be justification for these moves by the Post Office the public has justification too in expecting that accompanying these unpopular measures there will be a diligent and conscientious effort by the Postmaster General's department to streamline the present Post Office operation.

I will not read the entire article, but it goes on to state:

> If there are going to be fewer deliveries and higher postal rates the public has the right to expect there will be increased efficiency in the postal delivery system as a compensatory measure.

The last paragraph states:

> If the Canadian public is going to have to pay more for its post office services, and if it is going to have curtailed services then the public should expect and should demand, that the service which is provided be made far better than the service it presently enjoys.

I disagree with that last word "enjoys" in the article, to the effect that the Canadian public presently enjoys the service it gets. Surely we do not enjoy much of the service we now have. I receive complaints regarding

the slowness of some forms of mail delivery, and particularly that service from Toronto and Montreal to Napanee. This is particularly so in respect of parcel post. It is used extensively by professional people such as doctors and dentists, as well as the hospitals. These people are still complaining about the slowness of the delivery of mail. As for the recent strike, any government which would allow a strike to continue at such a tremendous cost to the Canadian people, and then reduces mail service to a five day week does not have any knowledge of the needs of the Canadian people and apparently has no desire to improve this service.

I have before me a letter written by the Postmaster General. I am sure hon. members were pleased to receive this in explanation and in answer to those protests made by many of us on behalf of rural mail contractors. There are two explanations contained in this letter dated October, 1968. The first is:

> To rural route contractors and those performing other small service contracts, doing the work themselves, and paid on the basis of an annual rate, we propose making the regular payment for the period which the service was interrupted, less the normal operating expenses which were not incurred while the service was not performed.

The second explanation refers to larger contracts and it says in part:

> In these cases we propose to pay the contractor his direct out of pocket expenses where the contract is on a per annum basis.

All our rural mail contracts are on a per annum basis. The full cost of payments to all these contractors has been previously budgeted for and the government's attempt to save a little money at the expense of these rural mail contractors seems to be pretty small, in light of the strike which was partly the fault of the government, because of its apathy. I am not placing all the blame on the government but surely this strike resulted partly from the lack of government action.

In my riding we must deal with rural and urban problems. We have no door to door mail delivery. I say to the Minister: Let us forget about this retrograde step to a five day week. I say on behalf of the farmers in the constituency of Frontenac-Lennox and Addington, they must get daily delivery. It is one hundred years since confederation. This is 1968, not 1868. If ever we needed a daily delivery we need it now.

What about the farmers who depend on rural route deliveries for their various agriculture returns and cheques, and their daily newspapers. Many of them depend on this service for these things. We do not have any house to house deliveries in my riding, but I have heard many protests from those who do in the neighbouring cities of Kingston and Belleville. I have heard the people say there that they used to get mail delivery twice a day, but that they are now getting it only once a day. They have stated that after the Trudeau government gets through with them they will only receive mail five days a week.

What about the differences in the services offered by various types of post offices? There will be no equity of service under the minister's new measure. In my riding for example I should like to compare the proposed services to be provided by the Napanee town post office and the service to be provided to the hamlet of Lavant.

The Napanee post office is owned and operated by the federal government, but under the minister's new measures no one will be able to obtain service there on a Saturday. We will not be able to buy a money order, obtain information or pick up a general delivery letter. The wickets will be closed. I hope the local people will be able to walk into the post offices and unlock their own boxes in order to get their mail. I hope the minister is not going to lock the entrance doors of the local post offices. Of course, since he is discontinuing the services of the post office savings banks, people who come to certain centres on Saturday will not be able to use them, either. This does not apply to the settled portions of Canada. I know that probably no one in my town uses post office savings methods any more, but there are people in remote areas of Canada who use the post office savings facilities, and the abolition of these services will be a hardship to them.

• (9:50 p.m.)

Let us get back to the other type of post offices. I wish to refer to the post office in Lavant. It is in a general store. The local residents who come into Lavant to do their shopping on Saturday will also ask for their mail and the storekeeper will certainly give it to them, as he should and can. I ask the minister, is this the just society? There will be no service in Napanee on Saturday, but plenty of service in Lavant. The latter is as it should be. I say again, this is 1968, not 1868.

At the same time as the minister is abolishing the daily mail service, I have just received a request which came in this week from the reeve and council of the townships

of Barrie and Miller, in the country of Frontenac, that rural route No. 2 to Cloyne, for example, which is now a route with a three day a week frequency be increased to a daily mail service. I told reeve Tom Neale that I would bring this matter up in the house. This is an important rural route serving many tourists in the summer and the settlers, lumbermen and tourist lodges in the winter. It should have a daily mail service the year round. If the minister put into effect his five day week program, the best we can get for these people will of course be the five day delivery. I ask for his assistance in this matter, and I am sure that it will be forthcoming. We can improve the service there, although if this measure goes through, we will not get daily service.

There is another matter against which I want to protest. It concerns the treatment of the rural mail contractors. They should be given every cent coming to them under their contracts and should not be docked at all for anything resulting from the late lamented postal strike. In the review of their contracts, as mentioned in the resolution, the existing tenders and contracts should run as they are for the remainder of the lives of these contracts. Any changes made will only cost the government more money, and moreover the government has no business interfering with contracts made in good faith and signed with reliable people. The point I wish to make is that even if these contracts are renegotiated for a five day week, in view of the rapid escalation of other costs similar bids will be made for five days a week as those made formerly for six days a week. At the present time I believe these contracts run for four years, and if those made four years ago had to be renegotiated the average bidder would ask for more money.

Much has been said in the house since the debate began regarding ways of saving money in the Post Office Department. I am sure the minister will try to do that. I do not blame him for his efforts along these lines and I want to compliment him in that regard. Our criticism must be constructive. There is much good in trying to find ways of saving money in that department. Let us hear more about this from the minister and from all sides of the house.

With regard to the effect of this legislation on local businessmen, may I point out that many businessmen pick up their mail on Saturday and examine it during the remainder of the week end. They do not necessarily look at the mail on Saturday because they are too busy on that day, especially those who are in the retail business. For that reason the post office should be open six days a week, as are those businesses.

Much has been heard here about the cost of second class mail. Of course costs are involved in handling and sorting second class mail. However most of it is no use anyway; it is more or less a public nuisance. Then, I am sure the newspaper publishers face the future knowing that it will cost them more to have their newspapers delivered. I believe that now they are sent free within a 40 mile radius. I am told that this does not apply to the dailies, or to any publication delivered house to house. Outside the 40 mile radius payment for newspapers is made according to weight. I was in contact with two editors of weeklies in my riding, and they told me this afternoon that the newspapers expect to pay more but also expect value for their money.

The matter of junk mail has been raised several times from all corners of the house. I believe we should reduce a lot of this superfluous junk mail. We get too much of it right here, as members of the house. I am not referring to legitimate mail which is sent to us by our constituents.

The Deputy Chairman: Order, please. It being ten o'clock, it is my duty to interrupt proceedings and forthwith put the question on the resolution now before the committee. Shall the resolution carry?

Some hon. Members: No.

The Deputy Chairman: All those in favour please rise.

• (10:00 p.m.)

Motion agreed to: Yeas, 79; nays, 48.

Resolution reported and concurred in.

Mr. Kierans thereupon moved for leave to introduce Bill No. C-116, to amend the Post Office Act.

Motion agreed to and bill read the first time.

BUSINESS OF THE HOUSE

Mr. McIlraith: I wonder if it would be agreeable if I were to announce the business the government proposes to submit to the house for its consideration tomorrow? We propose to call item No. 11 on today's order paper, third reading of Bill No. C-109, an act respecting the construction of a railway line in the province of Alberta; then, item No. 5,

house in committee of the whole on Bill No. C-111, an act to amend the Farm Improvement Loans Act; then, item No. 6 on today's order paper, second reading of Bill No. C-110, an act to amend the Farm Credit Act; then, item No. 8 on today's order paper, second reading of Bill No. C-113, an act to amend the Prairie Grain Advance Payments Act.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

CORPORATIONS AND LABOUR UNIONS RETURNS ACT—ALLEGED DELAY IN SUBMISSION OF RETURNS BY CORPORATIONS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, the other day when I brought a question before this house concerning the Corporations and Labour Unions Returns Act, it was suggested that I put the question on the order paper, and for this reason I am suggesting the subject be considered tonight. This act was passed in 1962 after a considerable amount of debate. Upon reviewing *Hansard,* I find a considerable amount of debate again took place on this subject in 1965 when amendments to the act were introduced. My reason for bringing this question before the house is that it is my opinion there is absolutely no use in this house passing legislation if there is no enforcement of that legislation. I suggest that unless there is a good reason for the lack of enforcement of the provisions of any act, then those provisions should be enforced.

The purpose of this act was to have corporations and unions file annual returns. The other day I requested a report under the provisions of this act in so far as corporations and unions were concerned, and I was told that

> —the preparation of the data for the corporation report has been delayed but improvements are being made and it is our objective to be more timely in the near future.

The only return that I received from the corporation was for 1963, while I received a return from the unions for every year including 1966.

I should like to ask the minister responsible for answering this question this evening for an explanation of why the returns from the corporations are not available. Unless there is an adequate reason for the lack of such returns in 1963. I should like to know whether the corporations are liable for the penalty outlined in section 6 of the act. If they are not liable, why not?

If the returns outlined in the report are not liable for return by the corporations, I should like to know whether there is any reason for the unions to file a return, as such, each year. If they do not file a return, are they responsible under section 6 of the act?

I noticed in *Hansard* that in September 1964 the then member for Port Arthur said it was obvious that the government was not enthusiastic about the bill as a whole, and that he assumed the legislation was going to waste away. I only ask that if it is the intention of the government to let this legislation waste away, then why do they not tell us, instead of leaving the act unfulfilled?

I would ask the minister to answer this question at this time, Mr. Speaker, because I believe it is of the utmost importance, particularly for myself, to know whether or not the act means what it says, and should be enforced in its entirety.

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I am very glad indeed to rise to answer the question of the hon. member for Moose Jaw. Let me say at the outset that it is certainly not the intention of this government to let this legislation waste away. If there has been—as there has—some difficulty in the beginnings in carrying out the spirit of the legislation in full, it is partly due to the fact that the broadest interpretation possible has been put upon it.

I should like to say to the hon. member that the returns have in fact been made on time, but that the difficulty has been in compiling, investigating and reporting upon the data concerned. The differentiation between union and corporation reports is due to the difficulty of dealing with two groups of reports. There are in fact 175 unions which are required to report under the terms of the act, whereas there are 40,000 corporations.

In addition, part of the investigation into corporation returns is in its nature difficult. As I have said, at the moment the corporations are not in default in filing returns and the 1967 returns are on hand. To show the difficulty involved, however, of these 25,000 returns have been fully processed and, I may say, are available for inspection, as are the previous returns, in the Department of Consumer and Corporate Affairs, which is the proper place at this stage. Some 12,000 further returns are in process of examination

and tabulation, and several thousand others are being investigated from the point of view of whether a proper return has been made.

The hon. member may understand that there is some difficulty about the existence or non-existence of corporations, which on the books could apparently be making a return. One of the difficulties involved is that of determining the ultimate ownership of the shares of a corporation. At the moment, Mr. Speaker, some 15,000 corporation returns are being investigated from this point of view. There is also the difficulty not only of pursuing the ownership of the shares and, in some cases, finding it in the hands of the corporation, but of pursuing the ownership of the said shares through the ownership of the corporation.

• (10:10 p.m.)

So, this has been a long process. I am happy to say that the dominion statistician who is responsible in this regard is taking active measures to improve reporting procedures and bring them up to date. The hon. member for Moose Jaw (Mr. Skoberg) and other hon. members will be pleased to know that the report for the 1964 corporate returns is now in the printing stage. The report for 1965 should be available about the end of the year and it is hoped that the 1966 report will be available in the spring.

FISHERIES—ESTABLISHMENT BY RUSSIA OF RIGHTS OFF PACIFIC COAST

Mr. Frank Howard (Skeena): Mr. Speaker, in 1964 parliament passed the Territorial Sea and Fishing Zones Act under which authority was given, through the governor in council, for the establishment of what the act calls geographic co-ordinates between which straight base lines would be drawn, and from which would be measured the three mile territorial zone and the additional nine mile fishing zone. When the bill was passing through parliament, as well as when it was in the other place and before various committees, the then secretary of state for external affairs and the then minister of fisheries both promised faithfully that those straight base lines would be drawn by the end of the year, that is, by the end of 1964.

Since then persistent questions have been asked in the house about the progress toward drawing those straight base lines, and the almost standard answer received from government for its failure in its commitment to put straight base lines into effect, the almost universal answer on all occasions, has been that this subject matter, in so far as the Pacific coast is concerned—and I am concerned about the Pacific coast—has been under negotiation with the United States, the only other country involved in the situation.

As time goes on it seems passing strange that Canada should be so concerned about sovereignty, when it is willing to negotiate with a foreign country the matter of determining the location of straight base lines which Canada, under laws passed by this parliament, has the authority to draw.

I have been given to understand that under international law a country can claim to have an historic fishery in a certain area or body of water if that country's vessels have been fishing there for a period of five years.

Pretty regularly since 1964, that is since four years ago, fishing vessels of the Soviet Union, as well as other ships of various sizes, have been sighted off our Pacific coast. Some of them, on occasion, have come into the area which would have been considered our own waters, if the government had moved to establish straight base lines, as it promised. Earlier this year a fishing ship—it was a much larger vessel than ones we are accustomed to seeing—from a foreign country actually tied up at the community of Massett in the Queen Charlotte islands. The men from it went out on the town, spent time at the Legion and had a pretty gay old time. Of course the personnel in what is loosely referred to as the coast guard, the fishery officer and the local R.C.M.P. officer were in a complete flap over the situation. The point is that here we see a complete disregard on the part of some for what we normally consider our own waters.

Unless we move swiftly, and there is not much time left, Japan, and the Soviet union in particular, will be in a position to claim an historic fishing right within the area that the Liberal government in 1964 promised would be enclosed as Canadian waters.

I know the present minister has said on more than one occasion that this matter is under review and that there is a possibility the government will move away from the commitment it made in 1964, namely, to draw the straight base lines on the Pacific coast in such a way as to include the waters of Queen Charlotte sound, Hecate strait and the Dixon entrance. This is the point at issue in the discussions which have taken place with the United States. They do not want us to do that. If the minister backs away from the commitment made to the fishermen and the Canadian people in 1964, and these base lines are

drawn further in toward the coast, this would be nothing short of a betrayal of the legitimate interests and rights of the fishing industry on the Pacific coast.

The important thing, though, is to move quickly to preserve what little is left to ourselves, and to prevent nations with large fishing fleets, such as Japan and the Soviet Union, claiming historic fishing rights in these areas.

Hon. Jack Davis (Minister of Fisheries): First, perhaps I should say emphatically that the government has no intenton of backing away from the straight base line approach to the delineation of our fishing areas as outlined in the legislation in 1964.

In the question which the hon. member for Skeena (Mr. Howard) raised yesterday, he asked what action was being taken by the government to ensure that the Soviet Union does not establish historic fishing rights in the waters along our Pacific coast. I should like to make it clear to the hon. member and to the fishing industry in British Columbia that the Canadian government has been endeavouring to ensure that the Soviet Union does not establish historic fishing rights in waters along the west coast which are vital to our fishery. This is being done largely by exclusion. For example there has been no fishing by Russian fishing vessels within our Canadian fishing zones. By Canadian fishing zones I mean zones within 12 miles of the Canadian coastline. The Russians have been observing our 12 mile limit so there can be no question of the U.S.S.R. establishing historic fishing rights.

In recent years there have been several isolated incidents where the presence of Russian fishing vessels has been noticed in Dixon entrance. On each occasion they have left the area after being warned by our fishery patrol vessels that they were in Canadian waters. Those of us who have been watching this situation closely have, of course, been concerned as to the nature as well as the location of these Soviet fishing operations. From all accounts—and this has been verified by our own fisheries protection service—the Soviet fishing operations have been limited to catching groundfish species for which we have yet to develop a large commercial market on the west coast.

There has been no evidence, I repeat, no evidence, that the Soviet vessels are catching species which are of major interest to our fishing industry today, namely, salmon, halibut and herring. In other words, the Russians have not been establishing historic fishing rights off our west coast; they have not been fishing in Canadian fishing zones, nor have they been catching the species in which we are most interested today.

The hon. member expressed concern about our relation with the United States in connection with fishing zones. My understanding is that the fishery on our west coast is more vital and seems to have more strength than does the United States fishery on the west coast. To the extent that we have reciprocal fishing rights with the United States and can fish in their waters as they can in ours, we are gaining relative to them, and to the total fishing operation off the coast.

Motion agreed to and the house adjourned at 10.21 p.m.

HOUSE OF COMMONS

Wednesday, October 9, 1968

The house met at 2.30 p.m.

HOUSE OF COMMONS

UNVEILING OF PORTRAIT OF FORMER PRIME MINISTER

Mr. Speaker: As hon. members know, last evening we had the pleasure of hearing some remarks made on the occasion of the unveiling of the portrait of a former prime minister of Canada. Fortunately a verbatim transcript of these proceedings is in existence, and I will take the liberty of suggesting to the house that this transcript be made an appendix to today's *Hansard*. Is that agreed?

Some hon. Members: Agreed.

[*Editor's note: For document referred to above, see appendix A.*]

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the house that a message has been received from the Senate informing this house that the Senate have passed Bill S-5, an act to amend the Canadian Overseas Telecommunication Corporation Act, to which the concurrence of this house is desired.

• (2:40 p.m.)

[*Translation*]

QUESTION OF PRIVILEGE

MR. FORTIN—ANSWER TO QUESTION ON ORDER PAPER

Mr. André Fortin (Lotbinière): Mr. Speaker, I rise on a question of privilege.

I should like to set the record straight, and submit an extremely serious problem to the house. In addition, I base my question of privilege on a principle which strikes me as being of prime importance.

As shown on page 459 of the *House of Commons Debates*, I put on the order paper question No. 123 in which I ask details with regards to the Northern Canada Power Commission, which body is answerable to the Minister of Indian Affairs and Northern Development (Mr. Chrétien). In the first part of that question, I asked whether the Northern Canada Power Commission had, within the last three years, bought or nationalized—I said "bought or nationalized" private hydro-electric concerns, and the minister replied: "None". With regard to the other part, the replay was: "N/A."

However, on page 20 of the annual report of the Northern Canada Power Commission and subsidiaries, for the fiscal year terminated March 31, 1967, we read the following:

> On September 30, 1966, the Northern Canada Power Commission purchased the registered capital of the companies Yukon Telephone Syndicate Limited, Dawson City Water and Power Company Limited and Dawson Electric Light and Power Company Limited. The consolidated balance-sheet which accompanies these observations reveals that the financial situation and the operating statement of the commission and its subsidiaries—

Mr. Speaker, the matter is most serious, since it proves beyond a doubt that the government gave erroneous information to parliament. Without being an expert in parliamentary procedure, I understand that this is completely contrary to the fundamental principles which govern the business of parliament.

When the question period comes, each day, we try to put questions of general interest or urgent questions. We make an effort, on the opposition side, to obtain information which the public asks of us, and with the new procedure which allows the ministers to be absent from the house, the answers we succeed in obtaining are usually very vague. Sometimes one does not get an answer or is told: Put your question on the order paper. That suggestion is followed and inaccurate answers are given.

I therefore ask, Mr. Speaker, that steps be taken immediately by the Prime Minister (Mr. Trudeau) with regard to the Department of Indian Affairs and Northern Development in order that the officials and some of his ministers stop making fun of some opposition members.

Mr. Speaker: Since the hon. member has not followed up his question of privilege with a motion, it is obvious that no debate is possible. I must therefore rule that there is no question of privilege which can be discussed at this time.

[*English*]

PROCEDURE

CONCURRENCE IN FIRST REPORT OF SPECIAL COMMITTEE

Mr. D. Gordon Blair (Grenville-Carleton) presented the first report of the special committee on procedure of the house and moved that the report be concurred in

Motion agreed to.

[*Editor's note: Text of the foregoing report appears in today's Votes and Proceedings.*]

[*Translation*]

ADMINISTRATION OF JUSTICE

QUEBEC—PARTICIPATION IN CRIMINAL INTELLIGENCE SYSTEM

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I rise on a point of order in connection with an answer given by the Minister of Justice (Mr. Turner) on October 4, 1968, and which appears on page 795 of *Hansard*.

The Minister of Justice was then answering a question from the member for Calgary North (Mr. Woolliams) who had asked him whether the province of Quebec had been in touch with the Minister of Justice concerning the setting up of a royal commission to examine the spreading of crime across the nation, and I quote:

> The minister has not received any request from the province of Quebec to set up a royal commission.

According to newspapers this morning, the Quebec premier, Hon. Jean-Jacques Bertrand, denied the statement of the Minister of Justice, pointing out, as can be read in today's issue of *Montréal-Matin:*

> After having recalled that, in a letter dated November 21, 1967, addressed to Mr. Turner, he had personally suggested that the proposed national centre be given the name "Canadian Criminality Information Centre".

Mr. Speaker, my point of order is this: the hon. minister has given out information which led the people to believe that the province of Quebec was not interested in co-operating with the federal government in matters of crime, and that reply is contrary to the documents the minister has on file. I ask the right hon. Prime Minister, in view of the absence of the Minister of Justice, to kindly tell us exactly what the situation is.

[*English*]

Hon. G. J. McIlraith (Solicitor General): Since this matter is the responsibility of the Solicitor General perhaps I should deal with it now. I have read the answer reported in *Hansard* at page 795. It is precisely correct. What is being overlooked by the hon. member is that the newspaper article deals with collaboration and co-operation among police forces. There is excellent working co-operation among the police forces at this time, as stated by the Minister of Justice in the passage of *Hansard* referred to, in which he says:

> I can say from experience that the R.C.M.P. are in constant co-operation with provincial and municipal police forces in this country.

The working co-operation is excellent. It is a fact, however, that at the moment the Quebec provincial police are not members of the Canadian criminal intelligence system.

Mr. Valade: That was not my question of privilege. The Minister of Justice implied in this house that the province of Quebec had not shown interest in collaborating with the federal authorities. A spokesman for the Quebec government has stated, according to this morning's newspapers, that on November 26, 1967 a letter was addressed to the Minister of Justice on this question. That is the point I wanted to clear up.

Mr. McIlraith: I must not let that statement go unchallenged. That is not a fact. The minister from Quebec did reply to a letter from the Solicitor General of November 6, and that reply was dated November 21, 1967. That correspondence is in the Solicitor General's office.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

C.N.R. PENSION FUNDS

Question No. 11—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money on the books of the pension funds of the Canadian National Railways as at (a) December 31, 1964 (b) December 31, 1965 (c) December 31, 1966 (d) December 31, 1967?

2. What rate of interest does the C.N.R. pay on this money?

3. What amount of interest was credited to the above noted pension funds during the year ending (a) December 31, 1964 (b) December 31, 1965 (c) December 31, 1966 (d) December 31, 1967?

4. What was the total amount paid out of the above noted funds in pensions during the years ending (a) December 31, 1964 (b) December 31, 1965 (c) December 31, 1966 (d) December 31, 1967?

Hon. Paul Hellyer (Minister of Transport): The management of Canadian National Railways advises as follows: 1. The total amounts of the investments, cash and other current assets on the books of the pension trust funds were: As at 31 December 1964, $531,627,361; 31 December 1965, $575,887,009; 31 December 1966, $626,818,658; 31 December 1967, $684,962,758.

2. The C.N.R. does not pay interest on these assets which are held separately in the pension trust funds.

3. Net earnings on the investments of the pension trust funds were: Year ended 31 December 1964, $23,830,471; 31 December 1965, $25,932,593; 31 December 1966, $28,763,156; 31 December 1967, $34,541,149.

4. Total amounts of the pensions paid out of the pension trust funds were: Year ended 31 December 1964, $32,145,649; 31 December 1965, $34,575,142; 31 December 1966, $37,595,615; 31 December 1967, $40,688,714.

*PRESIDENT OF AIR CANADA

Question No. 49—**Mr. Diefenbaker:**

1. Has the President of Air Canada been appointed?

2. At what date did the position become vacant?

Hon. Paul Hellyer (Minister of Transport): 1. The board of directors of Air Canada appointed Mr. N. J. MacMillan to be acting president of Air Canada at the meeting of the board held at the end of May this year. In a statement at that time, the board said that Mr. MacMillan's appointment was of a temporary nature.

2. Mr. MacGregor retired as president of Air Canada at the end of May, 1968.

INCOME TAX ON TELEPHONE COMPANIES

Question No. 54—**Mr. Fortin:**

1. Do the telephone companies in Saskatchewan and Manitoba pay income tax?

2. Do the telephone companies in Quebec and Ontario pay income tax?

3. Does the government intend to bring the telephone companies under the Public Utilities Income Tax Transfer Act (Statutes of Canada 1966-67 c. 43)?

Hon. E. J. Benson (Minister of Finance): 1 and 2. All companies providing telephone service are subject to income tax except a corporation not less than 90 per cent of the shares or capital of which is owned by Her Majesty in right of a province or by a Canadian municipality or a wholly owned corporation subsidiary to such a corporation.

3. No.

AIRPORTS AND MILITARY AERODROMES IN CANADA

Question No. 78—**Mr. Fortin:**

1. How many airports are operated by the Department of Transport (a) in Quebec (b) in Ontario (c) in British Columbia?

2. Has the Department any intention of establishing in Quebec a corresponding number of airports to those existing in Ontario and British Columbia and, if not, for what reason?

3. How many military airdromes are there (a) in Quebec (b) in Ontario, and, if there is a difference in number, for what reason?

4. How many U.S. military airdromes are there in Canada?

5. Under what agreement are such airdromes established in Canada?

6. What compensation is received by Canada for the establishment of such airdromes?

Hon. Donald S. Macdonald (President of the Privy Council): I am informed by the Departments of Transport and National Defence as follows: 1. (a) ten; (b) eighteen, and (c) seventeen.

2. The maintenance of a numerical balance among the several provinces of Canada is not a basis on which airports are established.

3. (a) two, and; (b) six (two of which are unmanned and used as emergency aerodromes only).

In addition, three civil airports in Quebec and two in Ontario, which are near Canadian forces bases, are used by military aircraft. The size and type of forces stationed in Ontario require more military aerodromes for their specific function.

4. One, at Argentia, Newfoundland. In addition, the United States of America has a leased area with airport access rights at Goose Bay, Newfoundland.

5. Argentia was leased for 99 years by agreements made on March 27, 1941, and October 23, 1947. These agreements have been valid for Canada since April 1, 1949. The leased area at Goose bay was made available by Canada for a 20 year period by an exchange of notes on December 5, 1952. (See the Canada Treaty Series, 1952; Numbers 14 and 22).

6. None.

Questions

LOCATION OF COASTGUARD COLLEGE

Question No. 84—**Mr. Muir (Cape Breton-The Sydneys):**

1. Is it the intention of the department concerned to change the local of the Canadian Coast Guard College now located in Cape Breton?

2. Has consideration been given or discussion taken place with regard to the removal of said College from its present location and, if so, who were the parties to such discussions?

3. Has the Minister concerned received a letter from the North Sydney Board of Trade suggesting that if such a move take place, consideration be given to locating the College on the north side of Sydney Harbour?

4. Has consideration been given to this suggestion and what reply was provided to the North Sydney Board of Trade?

Hon. James Richardson (Acting Minister of Transport): 1 and 2. The Point Edward location of the Coast Guard College is being developed as an Industrial Estate and this is making the satisfactory operation of the college increasingly difficult. Continued industrial expansion must lead eventually to such encroachment on the college that it will be necessary to move. In view of the great importance of industrial development in the area, this is regarded as inevitable and possible alternative sites are being studied. No decision has been made and no discussions have been held with authorities in possible relocation areas.

3. Yes.

4. The reply was that consideration would be given to the suggestion.

MOTOR VEHICLE WASHING FACILITIES, NEWFOUNDLAND

Question No. 85—**Mr. Muir (Cape Breton-The Sydneys):**

1. Has the Department of Agriculture in conjunction with the Department of Transport and/or the Department of Public Works commenced the construction of motor vehicle washing facilities at Port aux Basques, Newfoundland?

2. If so (a) what is the estimated cost of such an installation (b) what is the estimated date of completion of this project (c) on what date will these facilities be in operation?

3. Is it planned to construct motor vehicle washing facilities at Argentia, Newfoundland and, if so, what is the estimated cost of such installation?

4. Has consideration been given to the construction of one such facility at the Port of North Sydney, rather than two in Newfoundland?

5. What is the reason, in detail, for the construction of such facilities only in Newfoundland?

6. Are there any such facilities now in operation in Newfoundland?

[Mr. Macdonald (Rosedale).]

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

1. Yes.

2. (a) $1,021,800; (b) April 1, 1969; (c) May 1, 1969 estimated.

3. No firm plans but consideration is being given to such a requirement.

4. Yes.

5. To prevent the possible introduction on to the mainland of the pest, Golden Nematode, and potato wart disease, which are prevalent in areas of Newfoundland, it is highly desirable that soil which might be contaminated should be removed from vehicles prior to their arrival in Nova Scotia. Space for the construction of a vehicle washing facility is not available in the dock area in North Sydney, and the cost of acquiring land and providing access to a location outside the immediate area of docking was found to be prohibitive. Ferry traffic is occasionally diverted from North Sydney to Mulgrave due to weather conditions, and in these instances a vehicle washing facility at North Sydney would not provide the required protection.

6. No.

POST OFFICE CONSTRUCTION, ST. GERVAIS, QUE.—MINIMUM MILK PRICE

Question No. 95—**Mr. Lambert (Bellechasse):**

1. Does the government intend to build a post office at St. Gervais, Bellechasse County and, if so (a) what is the estimated cost of that construction (b) when will the work start?

2. Is the Minister of Agriculture in a position to say that financial measures will be taken to guarantee industrial milk producers a minimum price of $5.50 per hundred pounds of milk for the next fiscal year?

Hon. Donald S. Macdonald (President of the Privy Council): I am informed by the Departers of Public Works and Agriculture as follows: 1. Yes, (a) a contract has been awarded for $26,200, (b) immediately.

2. No.

REFUSAL OF ASSISTANCE TO N.S. CO-OPERATIVE ABATTOIR

Question No. 103—**Mr. Coates:**

Why was the recommendation made by the Atlantic Development Board for assistance for the Nova Scotia Co-operative Abattoir refused by Treasury Board and what was the amount of the recommended assistance and what was the purpose of the proposed assistance?

Hon. Donald S. Macdonald (President of the Privy Council): I am informed by Treasury

Board and the Department of Forestry and Rural Development as follows:

When the request for assistance to the Nova Scotia Co-operative Abattoir was considered the Treasury Board decided that it could not approve assistance at that time pending the outcome of the review of the whole question of assistance to individual firms by the minister responsible for regional development.

The amount of the requested assistance was $770,000, of which $270,000 was for capital expenditure to improve and enlarge the physical capacity of the plant and $550,000 was for working capital to enable the cooperative to gain greater flexibility in arranging its inventories and to reduce its reliance on heavy bank borrowings.

TRANSFER OF JURISDICTION, ROCKCLIFFE AIRPORT

Question No. 106—**Mr. Code:**

1. Referring to the answer to Question 524 of the last Session (*Hansard*, page 4171-2), has any decision now been taken regarding the transfer of the Rockcliffe Aerodrome from the jurisdiction of the Department of National Defence to the Department of Transport?

2. If so, what is that decision?

3. If the decision is not to transfer the Aerodrome, what are the plans for its future use?

4. What plan does the government have for the establishment of a secondary or satellite airport in the National Capital Region?

Hon. Donald S. Macdonald (President of the Privy Council): I am informed by the Departments of Transport and National Defence as follows: 1. Yes.

2. The decision is that the Department of Transport will not take over the operation and maintenance of the Rockcliffe aerodrome.

3. All scheduled service flying has been discontinued at CFB Rockcliffe airport. Future disposition of the land which comprises the aerodrome is under study.

4. There are no firm plans at the present time for a satellite airport in the national capital region as the traffic at Ottawa international airport has not reached the point where such action is necessary. However, the Department of Transport is watching developments in air traffic in the national capital region and will recommend the development of a satellite airport when the need arises.

CANADIAN FORCES PERSONNEL

Question No. 110—**Mr. McGrath:**

1. What is the total strength of Canadian Forces personnel stationed in each of the four Atlantic Provinces—Newfoundland, Prince Edward Island, Nova Scotia and New Brunswick?

2. What defence establishments are located in these Provinces?

3. What is the total strength of Canadian Forces personnel for each of the other six provinces, the Yukon and the Northwest Territories?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. As of 30 June, 1968: Newfoundland: 424; Prince Edward Island: 1,353; Nova Scotia: 13,865; New Brunswick: 6,121.

2. It is not departmental policy to make public lists of all defence establishments in each province giving precise locations. However, the following is a list of major bases and stations: Newfoundland: CFS St. John's, CFS Gander; CFS Goose Bay; Prince Edward Island: CFB Summerside; Nova Scotia: CFB Greenwood; CFB Halifax; CFB Shearwater; CFB Cornwallis; CFS Mill Cove; CFS Shelburne; CFS Barrington; CFS Sydney; New Brunswick: CFB Gagetown; CFB Chatham; CFB Moncton; CFS Coverdale.

3. Quebec, 9,734; Ontario, 28,769; Manitoba, 6,729; Saskatchewan, 1,683; Alberta, 6,746; British Columbia, 8,583; Yukon, 171; Northwest Territories, 298.

EXPENDITURES ON URBAN RENEWAL STUDIES

Question No. 115—**Mr. Paproski:**

What is the total amount of expenditure by the federal government in the last five calendar years on urban renewal studies relating to (a) slum clearance (b) urban transportation (c) housing?

Hon. Paul Hellyer (Minister of Transport): Pursuant to the National Housing Act, the federal government, during the five year period January 1, 1963, to December 31, 1967, approved contributions totalling $2,069,000 to provinces and municipalities for urban renewal studies including special studies relating to social aspects and housing rehabilitation in urban renewal areas. Expenditures during this same period, relating to these approvals amounted to $1,048,000. In addition, since the amendments to the National Housing Act in June, 1964, contributions under section 23A toward the preparation of urban renewal schemes were approved in the amount of $1,840,000. Expenditures relating to these approvals amounted to $832,000.

Questions

Contributions toward urban transportation studies under the National Housing Act were approved in the amount of $30,000 of which $23,000 had been expended as at December 31, 1967.

Urban renewal studies and the preparation of urban renewal schemes include elements of slum clearance, urban transportation and housing. The costs of these elements are not separately identifiable.

POLYMER CORPORATION

Question No. 117—**Mr. Fortin:**

1. Has the percentage of net profits with respect to sales of the Polymer Corporation Limited been dropping and, if so, what steps does the government, the Board of Directors and the management intend to take to prevent the situation from worsening?

2. Has the Board of Directors already considered, is it considering or will it consider establishing a subsidiary or production division in Quebec?

3. Has the Corporation considered directing its production more toward the manufacture of plastic products?

[*Translation*]

Hon. Donald C. Jamieson (Minister of Defence Production): Insofar as Polymer Corporation Limited is concerned: 1. Polymer Corporation's net income for 1967 as a percentage of net sales was below the level achieved in previous years and resulted from the continued rise in the cost of doing business and the decline in world prices for most of the Company's products. The management has intensified its efforts to improve productivity and reduce costs with very satisfactory results to date.

2. The capacity of the Company's existing Canadian operations is sufficient for its current needs and the Company, therefore, does not have any current plans to establish a subsidiary or production division in the province of Quebec. However, it is continually seeking attractive opportunities for further expansion and growth in Canada.

3. The Company now produces ABS resins and polystyrene, which represent only a small proportion of its total output, and is interested in strengthening its position in the plastics field.

[*English*]

*AMENDMENT OF FARM IMPROVEMENT LOAN LEGISLATION

Question No. 126—**Mr. Alkenbrack:**

1. When does the government intend to reconstitute and amend the legislation pertaining to the Farm Improvement Loan Act?

[Mr. Hellyer.]

2. Will the Act be broadened to serve a broader sector of the Agricultural Industry?

3. What will be the new rate of interest on farm improvement loans?

Mr. H. E. Gray (Parliamentary Secretary to Minister of Finance): 1. Appropriate amending legislation received first reading on October 3, 1968.

2. The measure now before the house would, in addition to making the interest rate prescribable by orders in council, increase the maximum loan amount, broaden the loan purposes to include the purchase of additional land, add credit unions, caisses populaires, trust, loan and life insurance companies as eligible lenders, and make a number of other improvements to this credit facility which serves the farming sector.

3. This rate has not yet been determined. It will be established when the amending legislation has been passed.

ROAD EXPENDITURES, TACHIE INDIAN VILLAGE

Question No. 142—**Mr. Howard (Skeena):**

1. Since January 1, 1965, has any money been spent on the Tachie Indian Village for roads, or with respect to roads leading to or from the said Village?

2. If so, what amount of money was spent in each year and how much of this was used to employ native Indian workmen and how much to rent equipment owned by people who were not native Indians?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Yes, money has been spent on a road leading to the Tachie reserve.

2.

	$	
1965-66	30,000.00	
1966-67	30,000.00	
1967-68	—	
1968-69	12,500.00	(commitment)
Total	72,500.00	

This road is being constructed under an agreement between the British Columbia provincial government and this department on a fifty-fifty cost sharing basis. As all of the work is being carried out by the province, there is no information available within the department on the details of expenditures.

INDIANS AND ESKIMOS IN TEACHER TRAINING PROGRAMS

Question No. 153—**Mr. Dinsdale:**

1. How many (a) Eskimos (b) Indians, are enrolled in the Teacher Training Program at Fort Smith announced by the Minister for Indian Affairs last spring?

2. How many (a) Eskimos (b) Indians, are enrolled in the Teachers' Aid Training Program at the University of Manitoba and the University of Saskatchewan?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. There is no teacher training program being carried out in Fort Smith, N.W.T. However, such a program is in effect in Yellowknife, N.W.T. with the enrolment including one Eskimo and eight Indians.

2. University of Manitoba: (a) Eskimos, none; (b) Indians, eight. University of Saskatchewan: (a) Eskimos, none; (b) Indians, 14.

LOCATION CHANGE OF MANPOWER CENTRE, EDMONTON

Question No. 175—**Mr. Paproski:**

1. What was the date of the transfer of the offices and quarters of the Manpower Centre to the Centennial Building in Edmonton?

2. What are the terms of the leasing arrangement of the premises in the Centennial Building viz, floor space, terms of years, annual rental, responsibility for repairs and alterations, options for additional space, name of lessor, names of signing officers on behalf of the lessor?

3. What solicitors acted on behalf of the Crown in connection with this transaction?

4. What was the floor space, vacated, and the number of employees using the said premises?

5. What is the number of employees presently using the new premises?

6. For what reasons were the offices of the Manpower Centre removed from a public building built specifically as an employment centre which is housing, as well, the related offices of the Unemployment Insurance Commission?

7. What government services are presently occupying the vacated premises and how long did the latter remain unoccupied?

Hon. Arthur Laing (Minister of Public Works): 1. August 18, 1967.

2. Terms of lease: floor space, 17,580 square feet; five year term from August 18, 1967 to July 31, 1972 at 92,295 per annum ($5.25 per square foot); lessor responsible for all services and supply of original partitioning, 100 feet partitioning per 1,000 feet floor area leased; five year option to renew at same terms and conditions; option for additional 1800 square feet space with rent to be negotiated when option to renew is exercised, all subject to tax escalator clause 100 per cent over base year 1968 proportion of occupied premises; owners, Centennial Investment Ltd. and Edper (Alta.) Ltd.; signor for Centennial Investments, Gerald Seniw; signor for Edper (Alta.) Ltd., Peter Caffera.

3. No solicitor.

4. Floor space vacated, 8,758 square feet; 128 employees using premises.

5. Employees using new premises, 130.

6. Insufficient space available for both Unemployment Insurance Commission and manpower in the Unemployment Insurance Commission building.

7. Departments presently occupying the vacated premises: Department of Labour, Department of Defence Production, Canadian government repair services. Space was unoccupied for approximately four months during alterations to provide improved accommodation for U.I.C. and renovations for Departments of Labour and Defence Production and Canadian government repair services.

VETERANS AND WIDOW'S, LOTBINIÈRE CONSTITUENCY

Question No. 189—**Mr. Fortin:**

1. How many world war I and world war II Canadian veterans, between the ages of 65 and 70, are there in the federal constituency of Lotbinière?

2. How many veterans' widows, between the ages of 65 and 70 are there in the federal constituency of Lotbinière?

3. Is the government considering the payment of old age assistance to veterans and their widows without a means test?

Hon. Donald S. Macdonald (President of the Privy Council): I am informed by the Departments of Veterans Affairs and National Health and Welfare as follows: 1 and 2. Statistics of the number of veterans and veterans' widows are not maintained by federal constituencies.

3. No. The government is not considering the amendment of the Old Age Assistance Act to permit the payment of old age assistance to veterans and their widows without a means

test. However, the eligible age for the old age security pension, which is paid without a means test, is being reduced, and effective January 1, 1970, the pension will be payable at age 65, thereby eliminating the need presently filled by old age assistance.

CHARTERED BANK SHARES

Question No. 195—**Mr. Latulippe:**

What was the number of shares of chartered banks and their value at par on October 31, 1934, 1944, 1954, 1964, 1967?

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

Chartered Banks Shares Outstanding
October 31st

	1934	1944	1954	1964	1967
Number	1,455,000	14,550,000	16,695,300	28,195,800	139,979,000
Par Value	$145,500,000	$145,500,000	$166,953,000	$281,958,000	$287,958,000

ECONOMIC RESEARCH PROJECT, PRINCE EDWARD ISLAND

Question No. 203—**Mr. Macquarrie:**

1. How many Members of the Public Service of Canada are employed in the research project being carried out in Prince Edward Island by the Economic Improvement Corporation?

2. From what Department of the Government of Canada have such people been drawn?

3. To what department will the report of the E.I.C. be submitted?

4. Is any undertaking been given to the Province of Prince Edward Island regarding the implementation of an economic plan for that Province?

5. What amounts of federal expenditure are in contemplation under such a program?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): 1. None.

2. Not applicable.

3. To the Department of Forestry and Rural Development and to the advisory board established under the Fund for Rural Economic Development Act.

4. The objective is to implement a development plan, but undertakings depend on agreement between the governments on the nature and cost of programs.

5. Expenditures will depend on the agreement referred to.

*RENOVATION OF TERMINAL BUILDING, CALGARY AIRPORT

Question No. 204—**Mr. Woolliams:**

1. Will the building of a new air depot for Calgary's International Airport proceed in 1968?

2. If the said new structure is not planned for 1968, what renovations will be made to the old depot?

[Mr. Macdonald (Rosedale).]

3. What will be the cost of the building of the said new depot?

Hon. Paul Hellyer (Minister of Transport): 1, 2 and 3. Renovations to the existing terminal building will provide a finger with departure rooms along the aircraft apron which could allow the addition of nose loading bridges. A new arrivals concourse including an inspection area will also be developed. In addition modifications to the existing aircraft apron, access roads, and car parking areas are planned. The department's planning for the proposed new terminal complex has not been finalized and, as a result, the cost of the new terminal building has not been established at this time.

*DISPOSAL OF BUILDINGS, CALGARY REPAIR DEPOT

Question No. 269—**Mr. Woolliams:**

1. Who purchased the 23 buildings at No. 11 Repair Depot in Calgary?

2. How much was paid to Crown Assets Disposal Corporation for the buildings in question?

3. Were tenders called for in reference to the sale, and were the said buildings sold to the party tendering the highest price?

4. Were the tenders confidential and conducted by an independent body?

Hon. Donald C. Jamieson (Minister of Defence Production): 1. The 23 buildings were sold to the Adby Demolition Company Limited, 7204-118 Avenue, Edmonton, Alberta, for demolition and removal.

2. $6,371.

3. Yes.

4. The corporation, under its normal procedures, called for sealed bids by a specific closing date.

BILINGUALISM AND BICULTURALISM COMMISSION

Question No. 272—**Mr. Coates:**

1. What has been the cost to date of the Royal Commission on Bilingualism and Biculturalism, how long has this Royal Commission been in operation, how much longer will it operate and what is the final estimated cost of this Royal Commission?

2. What are the names of the Commissioners now associated with this Royal Commission and how much has each received in salary and expenses to date?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): I am informed by the royal commission as follows: 1. Total expenditures by the royal commission on bilingualism and biculturalism up to September 30, 1968, were $7,408,802.48. The commission has been in operation since July 19, 1963. At this stage it is not possible to estimate the length of operation or the final cost.

2. The total salary and expenses to date received by the commissioners now associated with this royal commission are as follows:

Name	Honoraria to date $	Expenses to date $
A. D. Dunton	60,550.00	4,256.08
C. Cormier	37,050.00	13,830.69
R. Frith	69,300.00	18,333.84
J.-L. Gagnon	91,750.00	17,891.65
P. Lacoste	24,300.00	2,442.80
G. Laing	48,800.00	30,036.29
J. Rudnyckyj	44,550.00	19,461.65
F. Scott	41,550.00	8,812.89
P. Wyczynski	44,950.00	3,967.66

*MAIL SERVICE, GEORGIAN BAY AREA

Question No. 280—**Mr. Rynard:**

1. How many contracts are in effect, at the present time, covering mail service in the Georgian Bay area from Midland to Parry Sound?

2. Is this service (a) daily (b) semi-weekly, or (c) weekly?

3. What is the total cost of this mail service?

4. What is the increase in servicing for the summer months?

Hon. Eric W. Kierans (Postmaster General): 1. There are two services in the Georgian bay area, between Midland and Parry Sound, as follows: (a) Midland and Wah Wah Taysee; (b) Parry Sound and Sans Souci. Both services are seasonal operations only and are being performed under temporary arrangements.

2. The service between Midland and Wah Wah Taysee is performed daily, except Sunday, from July 1 to Labour day. The service between Parry Sound and Sans Souci is tri-weekly in May, daily except Sunday from June 1 to September 14, and tri-weekly from September 15 to November 15.

3. The service between Midland and Wah Wah Taysee is performed at the rate of $35 per trip or approximately $2,000 per season. The service between Parry Sound and Sans Souci is performed at the rate of $945 per season.

4. The frequency of the service between Parry Sound and Sans Souci is increased from tri-weekly to daily except Sunday during the period June 1 to September 14.

I should have been glad to provide this information to the hon. member without taking up the time of the house.

*HOSPITAL CONSTRUCTION GRANTS

Question No. 297—**Mr. Pringle:**

1. Will the announcement of the termination of the Hospital Construction Grant Act on March 31, 1970 impose a hardship on Hospital Regional Districts who have approved projects, or intend to have approved projects underway, but uncompleted, at the termination date?

2. Will the amount of $13,304,165 shown under the heading 'Revote' on page 22 of P.C. 1968-12/529 remain at credit as allocated to provinces for use of Regional Hospital Boards, or will availability terminate with the Act on March 31, 1970?

[*Translation*]

Hon. John C. Munro (Minister of National Health and Welfare): 1. There will be no repercussions on projects approved as of March 31, 1970 under the federal grants for hospital construction.

2. It is unlikely that the government will give some assistance under the federal hospital construction grants to projects submitted after March 31, 1970.

[*English*]

UHF TELECOMMUNICATIONS SYSTEM, MONTREAL—LES ESCOUMINS

Question No. 303—**Mr. Dumont:**

What was the installation cost of the UHF telecommunications system along the St. Lawrence between Montreal and Lescoumins?

Hon. Paul Hellyer (Minister of Transport): The UHF telecommunications system between Montreal and Les Escoumins that is a part of the marine traffic control facilities of the Department of Transport is provided under a rental contract for approximately $130,000 per annum.

Questions

*MOOSE JAW—DECLARATION AS DESIGNATED AREA

Question No. 311—**Mr. Diefenbaker:**

Will the government, in view of the detrimental effects on the City of Moose Jaw by the removal of some large industries, give favourable consideration to declaring that City a designated area?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Forestry and Rural Development): On September 25 the Minister of Forestry and Rural Development announced that he was reviewing the whole area development program with a view to new legislation early next year. This review will take into account the situation in areas such as Moose Jaw that cannot be designated under the existing program. Meanwhile officers of the department are assisting provincial and municipal officials in the attempt to attract new industrial activity to Moose Jaw.

REPAIRS TO HMCS "QU'APPELLE"

Question No. 346—**Mr. Anderson:**

1. Have repairs to HMCS *Qu'Appelle*, demaged when run aground on Wiers Beach near Victoria earlier this year, been completed?

2. If so, what was the total cost of such repairs?

3. If not, what is the estimated cost of repairs?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. Yes.

2. $12,446.00.

3. Not applicable.

QUESTIONS PASSED AS ORDERS FOR RETURNS

REPORTS OF RESTRICTIVE TRADE PRACTICES COMMISSION

Motion No. 22—**Mr. Howard (Skeena):**

1. Since January 1, 1963 has the Restrictive Trade Practices Commission made any reports regarding inquiries which it conducted?

2. If so, what is, with respect to each such report (a) the name of the report (b) the matters inquired into (c) the recommendations (d) the action taken on each such recommendation?

Return tabled.

OFF RESERVE HOUSING PROGRAM

Question No. 151—**Mr. Dinsdale:**

1. How many Indian families have benefitted under the Off-Reserve Housing Program since it was inaugurated?

2. How much money has been expended under the Program?

[Mr. Hellyer.]

3. What cities and communities have been involved in the program and how many houses have been located in each of these centres?

4. What branch of government is administering the Program?

5. What funds are available for this Program during the current fiscal year?

Return tabled.

OVERTIME WORKED, AIR SERVICES BRANCHES, B.C.

Question No. 172—**Mr. Howard (Skeena):**

For each fiscal year since, and including, 1965-66 how many hours of overtime have been worked by each employee without revealing the names thereof, working for the Department of Transport (Air Services) at (a) Sandspit (b) Prince Rupert (c) Terrace, and (d) Smithers.

Return tabled.

• (2:50 p.m.)

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notices of motions Nos. 2, 5, 15, 16, 21, 22 and 23 are agreeable to the government subject to the usual limitations regarding confidential papers and authorization of the government authorities concerned.

I ask, Mr. Speaker, that the remaining notices of motions be allowed to stand.

[*English*]

WINTER WORKS INCENTIVE PROGRAM

Motion No. 2—**Mr. Skoberg:**

That an Order of the House do issue for a copy of all letters and other communications dated since, January 1, 1968, concerning the abandonment or continuation of the Municipal Winter Works Incentive Program, and for a copy of all the replies by government.

Motion agreed to.

DISCONTINUATION OF WINTER WORKS PROGRAM

Motion No. 5—**Mr. Burton:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence exchanged between the Government of Canada and the governments of the provinces on the subject of the discontinuation of the municipal Winter Works Program since January 1, 1968.

Motion agreed to.

POLLUTION STUDY OF B.C. RIVER BASIN

Motion No. 15—**Mr. Anderson:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all letters, telegrams and other communications between the Government of Canada or any of its representatives, and the Government of the Province of British Columbia or any of its representatives, since January 1, 1967, concerning the Government of Canada's offer to carry out a pollution study at Federal expense in a river basin area to be designated by the Government of the Province of British Columbia.

Motion agreed to.

JOINT FEDERAL-B.C. POLLUTION COUNCIL

Motion No. 16—**Mr. Anderson:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of letters, telegrams and all other correspondence exchanged between the Government of Canada or its representatives and the Government of the Province of British Columbia or its representatives, relating to the establishment of a joint Federal-Provincial Council on Pollution and its Control.

Motion agreed to.

REPORT ON MINERAL DEVELOPMENT ON B.C. INDIAN RESERVES

Motion No. 21—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of a report, prepared in December, 1967, relating to the British Columbia Indian Reserves Mineral Resources Act and entitled "Indian Affairs Branch Report on Development of Mineral Resources on Indian Reserves in British Columbia".

Motion agreed to.

REPORT ON B.C. INDIAN RESERVES RESOURCES ACT

Motion No. 22—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of a report of June, 1967, prepared by one William J. Worrall relating to the British Columbia Indian Reserves Mineral Resources Act.

Motion agreed to.

B.C. INDIAN RESERVES MINERAL RESOURCES ACT

Motion No. 23—**Mr. Howard (Skeena):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all telegrams, correspondence and other documents exchanged between the Government of Canada or any agency or branch thereof and any other government, person or organization since January 1, 1960 relating to the British Columbia Indian Reserves Mineral Resources Act.

Motion agreed to.

Inquiries of the Ministry

THE CANADIAN ECONOMY

RECOMMENDATIONS RESPECTING JOINT COMMITTEE AND RESEARCH UNIT

On the orders of the day:

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to repeat to the right hon. Prime Minister the easy question I asked him yesterday, as to whether his government intends to act on the recommendations of the Economic Council of Canada, twice repeated in its reports, relating to the establishment of a joint Senate and House of Commons committee on economic affairs, to which the council's reports should be referred, and also relating to the establishment of an independent economic unit for study, as recommended by the Economic Council of Canada.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, this has been under advisement since yesterday afternoon.

Mr. Stanfield: Mr. Speaker, I have a further easy question for the right hon. Prime Minister. Is it the intention of the government to support the establishment of a committee on poverty in the Senate as recommended by the Economic Council of Canada?

Mr. Trudeau: I do not think I can comment on what happens in the other place, Mr. Speaker.

HOUSING

ALLOCATION OF FUNDS BETWEEN PRIVATE AND PUBLIC SECTORS

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, now that the Minister of Transport in charge of housing is here, may I put to him a question?

Some hon. Members: Hear, hear.

Mr. Lewis: Having given the minister the opportunity for this reception, I hope I will get a good answer. I want to ask the minister a question which I asked yesterday as to whether he can assure the house and the country that the $170 million which he announced will now be made available to private builders for housing in no way cuts into the amount of money set aside for public housing.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I think I can give my hon. friend the assurance that we will in no way reduce the expenditures for public housing

during the current year. The reassessment of the applications for public housing, in various stages of processing, including low rental subsidized housing, housing for elderly persons, housing for students, etc., gave us an indication of what the total would be for the fiscal year and enabled us to make a decision which would allow us to use during the current fiscal year all the funds available for housing and maximize the construction which would take place during the current fiscal year.

I can therefore say to my hon. friend that in so far as the expenditures that were announced last week are concerned, this will mean a net addition to the housing starts for the current year and a very real aid in providing additional accommodation for Canadians who need it, without at the same time making it necessary to cut back on any of the other programs which are intended.

Mr. Lewis: I have a supplementary question, Mr. Speaker. Do I understand the minister to say—whether or not one agrees with his suggestion that housing will be available to those who need it—that in effect the amount of money which had originally been allocated to public housing will not be spent this year, but that some of it has been added to the amount which is to be spent in private building?

Mr. Hellyer: The majority of the money for this program had originally been allocated for family accommodation. This was supplemented by an increment of about $50 million which was estimated to be a shortfall in other programs due to the fact that a reassessment of the various stages of planning indicated that money would not be spent on them during this year.

Mr. Lewis: I am sorry to press this, Mr. Speaker, but I have a further supplementary question. The minister said there was a shortfall in other programs. I am asking him whether that shortfall, as he calls it, was in the public housing sector.

Mr. Hellyer: Mr. Speaker, it is only a question of estimating the expenditures. At the beginning of the year Central Mortgage and Housing Corporation had to estimate the projects which would come in from the provinces and other agencies in all these categories. Their estimates and their anticipation were in some cases greater than the facts proved, and it was because of this that we felt we should take a decision now to use all the funds that were available, notwithstanding the fact that it meant a reallocation. I think my hon. friend should rejoice that the government has taken such a decision.

Mr. Speaker: Order, please. The two hon. members seem to be entering into a debate on this subject.

[*Translation*]

AIRPORTS

MONTREAL—EXCLUSIVE FRANCHISE FOR TAXI SERVICE

On the orders of the day:

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to direct my question to the Minister of Transport.

The honourable minister says that at the Montreal international airport, at Dorval, the Murray Hill Co. takes care exclusively of the transportation of paying passengers. In view of the fact that many petitions have been submitted to the department by the Montreal Taxi Owners Association, requesting permission to carry passengers from the international airport to Montreal or outside the city, I should like to ask the minister if he can tell us today whether his department has reached a decision so as to recognize the undeniable rights of the people involved in taxi transportation in Montreal?

Mr. Speaker: This question goes quite far back I think, in the history of the previous session of parliament, so that it could be placed on the order paper.

Mr. Caouette: On a point of order, Mr. Speaker. Since it goes back rather far, I wonder if you would not allow the minister to answer. Indeed, it is becoming urgent after such a long time.

[*English*]

ADMINISTRATION OF JUSTICE

REQUEST FOR INQUIRY INTO ORGANIZED AND SYNDICATED CRIME IN CANADA

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the Solicitor General whether it is the intention of the federal government to set up a royal commission or a quasi-judicial body to conduct a full probe into crime in accordance with Prime Minister Bertrand's suggestion. He has alleged that crime is on the increase and that there has been a continual increase in gang murders.

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I do not know what the hon. member is using as the basis for his allegation as to Mr. Bertrand's position. If he will explain exactly what he means by that I will be glad to answer his question. However, if his question is merely whether it is our intention at this time to set up a royal commission, I should like to take it as notice and give a specific answer tomorrow or Monday.

Mr. Woolliams: Mr. Speaker, I appreciate the minister taking the question as notice. Prime Minister Bertrand has alleged that he wrote a letter on November 27—

Mr. Speaker: Order, please. Would the hon. member kindly ask a direct question.

Mr. Woolliams: Yes, Mr. Speaker. Will the minister indicate whether the government received a letter from Prime Minister Bertrand in reference to the central intelligence mechanism set up by the federal government, and whether Quebec is actively taking a part in this regard as are other provinces in Canada?

Mr. McIlraith: Mr. Speaker, Mr. Bertrand wrote a letter on November 21, 1967 in reply to a letter from the then Solicitor General dated November 6, 1967. This subject was referred to and dealt with in that reply.

Mr. Woolliams: Would the minister answer the last part of the question? Is Quebec actively taking part in this central intelligence mechanism set up by the federal government, as are the other provinces?

Mr. McIlraith: No, Mr. Speaker, Quebec is not a member at the moment, but there is very good co-operation between the federal and Quebec police authorities. There is a very good and continuous working relationship at the present time between the R.C.M.P. and the Quebec provincial police.

AGRICULTURE

CORN—DISCUSSIONS WITH U.S. RESPECTING DUMPING

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, now that the Minister of Agriculture is back with us I should like to ask him to answer the question I put to the acting minister last Monday. It had reference to his visit with the United States secretary of agriculture in Washington concerning the dumping of United States corn in Canada.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, in respect of the question the hon. member for Oxford posed on October 7 and repeated today, discussions on this problem have already commenced between the officials of the government of Canada and those of the United States government in Washington. Indeed another meeting is to be held and further discussions will take place tomorrow morning. I have been attempting to get in touch with Secretary Freeman to talk with him about this matter. Perhaps I should advise hon. members that there was a death in his family early this week, which has made this situation a little more difficult.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, will the minister indicate whether he has agreed to the request of the farmers that their representative accompany him on any visit he may make to Washington?

Mr. Olson: I think there is a wrong assumption being made that I am going to Washington. I said we would approach the United States government. We have done that, and discussions are taking place at this time. I am sure the Leader of the Opposition would not want me to frustrate in any way the success of those discussions by making statements here while they are taking place.

Mr. Horner: You told the farmers their representative would be going.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a supplementary question to the Minister of Agriculture.

Since he is now considering the problem of U.S. corn imports, can he also consider tomato imports, more especially in the eastern townships where the crop has to be left on the fields due to such imports.

[*English*]

Mr. Olson: Mr. Speaker, my department has not been informed that the problem in respect of tomatoes is as severe as the hon. gentleman has indicated, but I can advise him that the Department of Agriculture is vitally concerned with all commodities.

TRADE

WHEAT—REPORTED FRENCH OFFER TO SELL AT BELOW AGREED PRICE

On the orders of the day:

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I should like to ask the Minister of

Trade and Commerce whether the government has received any information that France is offering to sell wheat to Japan at lower prices than those provided by the international grains agreement.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I read the same report in the newspaper this morning, and I have asked officials of my department to provide me with information on this subject. If France does this it would be contrary to the agreed position taken by exporters at Canberra, and we would certainly protest as strongly as we could about these matters.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is supplementary to the question posed by the hon. member for Calgary Centre. In view of this problem in respect of the dumping of grain at prices below those accepted in the international wheat agreement, will the minister indicate when a discussion can take place in this house regarding the Kennedy round agreements in order that we may debate this matter, which is costing the agricultural economy millions of dollars?

Mr. Pepin: Legislation on this subject is to be brought forward.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I have a question supplementary to the question put by the hon. member for Calgary Centre. Is it not a fact that France has just recently made a sale to Japan, and is there any question as to whether or not they have violated the international agreement? What is Canada doing about it?

Mr. Speaker: Order, please. The question as asked is certainly not in order. The hon. member cannot ask the minister to verify or deny an alleged fact.

Mr. Horner: Perhaps I could word my question in a different way. What is the minister and his department doing about the recent sale by France to Japan, which many countries believe to be in violation of the international grains agreement?

Mr. Pepin: Mr. Speaker, the question begs the answer, in the sense that the hon. member admits this is the opinion of other people. It may not be the truth of the matter. As the hon. member well knows, there has been a sort of mutual accusation society around the world in recent days regarding this matter. Every country is anxious to say that it has not violated the international grains arrangement, but I will look more deeply into this subject. My impression is that there has been no such sale, but I will find out.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a supplementary question for the Minister of Trade and Commerce. I ask the minister whether representatives of the wheat board have recently been in Japan in order to retain that traditional market which we have had in the past.

Mr. Pepin: Mr. Speaker, I am often questioned on these matters and am always tempted to say that the House of Commons is not a market place. Obviously if the wheat board wants to sell wheat, one of the first conditions they must observe is to be rather quiet in announcing where they are going to sell wheat.

Some hon. Members: Hear, hear.

[*Translation*]

EXPO '67

SUGGESTED REDUCTION IN MONTREAL SHARE OF DEFICIT

On the orders of the day:

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): While I have the floor, Mr. Speaker, and before I am asked to do so, I should like to answer two questions put to me yesterday by the hon. member for Sainte-Marie (Mr. Valade), who first inquired of the right hon. Prime Minister whether I had received a request from the city of Montreal to reduce its share of the Expo '67 deficit.

I have not received any such request myself.

The hon. member then asked what happens in such a case. The other day, when the Minister of Trade and Commerce of the province of Quebec was asked the same question, he answered that an agreement is an agreement, and a contract is a contract. I found that answer extremely interesting and intelligent, and I intend to support it wholeheartedly.

[*English*]

GRAIN

REPORTED INVESTIGATION OF SALES ABOVE QUOTAS

On the orders of the day:

Hon. Jean-Luc Pepin (Minister of Trade and Commerce): Mr. Speaker, the hon. member for Vegreville asked yesterday whether I

had received a number of reports from Alberta and other western provinces of farmers who have allegedly sold grain over their quotas.

The administration of the quota system is the responsibility of the Canadian Wheat Board. Each year a number of quota violations are brought to the attention of the board and the board decides what action is necessary, including prosecutions of producers and agents involved, as circumstances warrant.

The Canadian Wheat Board has received reports during the current crop year of over-deliveries, and in these instances the board has requested the R.C.M.P. to investigate these violations. After completion of the investigations the board will decide whether prosecutions are warranted.

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a supplementary question for the Minister of Trade and Commerce with respect to the answer he gave me earlier. In view of the cash shortage of farmers faced with growing debts because of the failure to sell wheat, would the minister not consider suspending the penalties provided under the act?

Mr. Pepin: Mr. Speaker, to what cash advance payment is the hon. member referring?

Mr. Mazankowski: This is with respect to over-deliveries.

Mr. Pepin: We have new legislation to increase the amounts provided.

Mr. Mazankowski: Mr. Speaker, my question refers to prosecutions with respect to the over-delivery of quotas.

Mr. Pepin: Mr. Speaker, it seems to me that if somebody is in some way violating the quota system, he must be prevented from so doing, because other producers in the west will be damaged by his action.

PROVISION OF DRYING AND STORAGE FACILITIES

On the orders of the day:

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, may I ask the Minister of Agriculture a brief but urgent question of which I have given him notice. Can the minister inform the house what action the government is taking to provide drying and storage facilities for tough, damp or damaged grain resulting from irregular harvest conditions on the prairies?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I wish to thank the hon. member for giving me notice of this question, although I did not get it until after I reached the chamber. The board of grain commissioners have facilities at five of the inland terminals, Lethbridge, Calgary, Edmonton, Saskatoon and Moose Jaw, where there is a capacity of something like 7,000 bushels per hour for drying this grain. There have been discussions to move sufficient grain out of these elevators so there is enough space aroung the drying facilities that maximum use can be made of them. In addition, the drying capacity at the lakehead is somewhere between 400,000 and 500,000 bushels a day, depending upon how much moisture needs to be withdrawn from the grain. The Minister of Trade and Commerce may wish to comment further on this matter, but I understand the wheat board has now given priority to the movement of some lower grades, which would include the grades of which the hon. member speaks.

[*Translation*]

TRADE

TEXTILES—REQUEST FOR LIMITATION OF IMPORTS

On the orders of the day:

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister.

Early this week, representatives of the textile industry and the labour unions of that industry recommended strongly to the government limitations the importation of textile products from low income countries. Has the government made a decision as to this recommendation?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, at that meeting, the other day, which was very useful for all parties concerned, the Minister of Finance (Mr. Benson) talked on behalf of the government and explained that the whole matter of imports was under study at the present time, that we were negotiating with other parties, and that we had even suggested to the industry some terms of reference for an investigation which might, if the industry is agreeable, get to the bottom of some allegations.

Mr. Ricard: Mr. Speaker, I would like to ask a supplementary question. When additional information has been collected on that matter, does the government intend to make a statement in the house?

Inquiries of the Ministry

Mr. Trudeau: Mr. Speaker, if a new policy is to be announced, this will be done by one of the ministers.

The question of importations from less developed countries has been of concern to us for a long time, because both the Canadian producer and the Canadian worker are to be protected, while at the same time developing countries should not find closed markets everywhere, in more prosperous countries, like our own. Those two factors have to be assessed and interests in both cases protected.

[*English*]

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Prime Minister. Because of public concern as demonstrated by the 10-day vigil of Claire Culhane on parliament hill, and in view of his firm statement about non-intervention in Biafra, will the Prime Minister make an equally firm statement about non-intervention in Viet Nam?

Mr. Ed Schreyer (Selkirk): My question is directed to the Solicitor General, Mr. Speaker. Can the Solicitor General assure this house he is quite capable of carrying out the responsibilities of his department, despite newspaper reports—

Mr. Speaker: Order. I think the question asked by the hon. member is out of order.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, in view of the fact that Mr. L. W. C. S. Barnes, an employee with the Department of National Defence, was given a temporary leave of absence and in view of the publication of an article against bilingualism, would the right hon. Prime Minister tell us since when a civil servant may take the liberty of criticizing government policy regarding bilingualism?

NATIONAL DEFENCE

NATO—CANADIAN OBSERVER AT MEETING OF NUCLEAR POWERS

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I had a question for the Minister of National Defence but, in his absence, I shall put it to the Prime Minister.

A meeting of the NATO nuclear plan group is taking place tomorrow and Friday in Bonn, Germany. Could the Prime Minister tell us whether he intends to send a Canadian observer to that meeting?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, could the member repeat his question and especially the name of the place? I did not hear it.

Mr. Laprise: The NATO nuclear plan group is meeting in Bonn, Germany, tomorrow and Friday. Is it the intention of the Canadian government to send an observer?

[*English*]

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I will have to take the question as notice. I am not sure to what meeting my hon. friend is referring.

IMMIGRATION

RETRAINING REQUIREMENT FOR CZECHOSLOVAK DENTISTS

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I direct my question to the Minister of Manpower and Immigration. Is the minister investigating the plight of the five refugee Czechoslovak dentists who were qualified and experienced in their own country and have now been prevented from practising in Ontario for 18 months because they have to undertake a retraining program?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I have been made aware of the circumstances surrounding these particular dentists and have discussed the matter with my predecessor. It is obviously a question of standards within individual provinces, and that is a matter for the province and the association, although my predecessor has from time to time suggested that these standards might be reconsidered in the light of refugee situations.

Mr. Thompson (Red Deer): A supplementary question, Mr. Speaker. Were these men advised of this situation before they were encouraged to emigrate to Canada?

Mr. MacEachen: Mr. Speaker, I would have to examine the specific conversations to answer that question, but generally the immigration officers attempt to explain to all immigrants the conditions that will prevail in their new country.

DRUGS

INQUIRY AS TO ACTION TO CONTROL INCREASED NARCOTICS TRAFFIC

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, I should like to ask a question of the Minister of National Health and Welfare. On October 1 I asked the minister whether he would consider making a statement on motions on the use or misuse of marijuana and related drugs. At that time the minister said he would give this matter very serious consideration. I wonder whether he has given it consideration and can make such a statement forthwith.

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker, but I will be prepared to make such a statement early next week.

INDUSTRY

CAPE BRETON—NEGOTIATIONS RESPECTING EARLY RETIREMENT PROGRAM

On the orders of the day:

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, yesterday the hon. member for Cape Breton-The Sydneys asked whether negotiations will take place between Devco and the unions concerned before any early retirement program, as recommended in the Donald report, is implemented. There have been constant discussions for some months between the Devco management and the union involving all aspects of the early retirement program.

Mr. Robert Muir (Cape Breton-The Sydneys): A supplementary question, Mr. Speaker. In view of the fact that the minister stated the day before yesterday that this report must be considered from the viewpoint of both governments, can he assure the house that no enforced early retirement program will be imposed upon these railway workers and coal miners until there has been full discussion and a mutual decision has been reached between the unions and Devco?

Mr. Marchand (Langelier): I think, Mr. Speaker, we are now in the first stages of negotiation. We will have to wait until negotiations have been completed.

Mr. Donald MacInnis (Cape Breton-East Richmond): I should like to ask the Minister of Forestry and Rural Development a supplementary question, but before doing so may I welcome him back to the house. When will the minister be in a position to table the Devco report?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, there is nothing in the legislation which compels us to table the Devco report in the house. This is a report which should be brought forward in the cabinet. At the next opportunity I shall discuss this with the members of the cabinet and we shall see then what is to be done with the said report.

[*English*]

Mr. MacInnis (Cape Breton-East Richmond): May I ask a further supplementary question. First of all, Mr. Speaker, I should like to clear up the impression the minister has that the government is being forced to table this report. This is not the case at all. Since portions of this report are being leaked by the minister's department bit by bit, perhaps he should table the report now. He has just leaked a bit of the report now.

AGRICULTURE

INQUIRY RESPECTING ADMINISTRATION OF P.F.R.A.

On the orders of the day:

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, I would like to answer a question asked yesterday by the hon. member for Crowfoot. The hon. member asked whether the administration of P.F.R.A. comes under the jurisdiction of the Minister of Forestry and Rural Development or whether the government is dropping the whole project. The answer is yes to the first question, and very definitely no to the second.

SHIPBUILDING

INQUIRY AS TO RE-ESTABLISHMENT OF ASSISTANCE

On the orders of the day:

Hon. Jack Davis (Minister of Fisheries): On Friday last, Mr. Speaker, the hon. member for South Shore asked whether it was the intention of the government to submit a report to the house on the conclusions of the recent federal-provincial conference on fishing vessel construction materials. I should explain that this conference, which wound up last week in Montreal, was sponsored by the federal and provincial governments in the Atlantic region. The conference was essentially technical in nature and did not prepare recommendations on policy. The complete report of the conference will be published soon. It will be available to all hon. members on request.

Inquiries of the Ministry

FREIGHT RATES

MARITIME PROVINCES—REQUEST FOR DELAY IN PROPOSED INCREASES

On the orders of the day:

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Minister of Transport, Mr. Speaker, before he disappears again. In view of the decision yesterday of the Canadian Transport Commission permitting further rate increases on maritime products, will the minister say what is the position of the Atlantic provinces transportation task force and when the transport committee of the house will be able to reconvene to hear from maritime representatives?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I understand that I will very soon have a report from the Canadian Transport Commission in reference to part of the study, particularly that part concerned with less than carload lots. In so far as the convening of the parliamentary committee is concerned, as I indicated to the house before there is certainly no objection on the part of the government to the reconvening of the transport committee which was involved in this question at an earlier date. We would lend every assistance to that committee in pursuing the studies which were interrupted last spring.

Mr. Bell: I should like to thank the minister for that information. Since it appears it will be some time before corrective measures will be introduced, perhaps justifiably, may I ask the minister if he will give every assurance—

Mr. Speaker: Order, please. I have to bring to the hon. member's attention the fact that there are just a few minutes left in the question period. He should really ask his question as rapidly as possible.

Mr. Bell: Will the minister give every assurance that the freeze which will run out in September will be continued by legislation if necessary?

Mr. Hellyer: Well, I note the hon. gentleman's representations, Mr. Speaker, which I can assure him will be given careful consideration by the government.

[Mr. Davis.]

CANADIAN PACIFIC RAILWAY

PROPOSED CLOSING OF STATIONS IN SOUTHWESTERN SASKATCHEWAN

On the orders of the day:

Mr. Jack McIntosh (Swift Current-Maple Creek): My question is for the Minister of Transport. I would ask the minister to inquire into and report to this house on the decision to close all Canadian Pacific stations in the Moose Jaw division serving southwestern Saskatchewan, and to ascertain whether this action can be postponed until such time as the farm and business associations in the areas affected can make representations to the appropriate bodies.

Mr. Speaker: The hon. member is making representations to the minister, and at this point I have to call orders of the day.

Mr. McIntosh: May I rephrase my question. In view of the words I have just uttered, will the minister see that this action is stopped until representations can be made to that body?

Mr. Speaker: Orders of the day.

Mr. G. W. Baldwin (Peace River): I rise on a point of order, Mr. Speaker. I have waited until the question period expired, but I feel that at this time I should bring to Your Honour's attention something which you must have noticed. When a minister of the crown who is pursuing his occupation somewhere other than in this house comes back and answers several questions, as did the Minister of Industry, Trade and Commerce today, confusion is created when a number of members would like to follow up with supplementary questions. They find difficulty in being recognized in order to pursue this line of questioning in a normal, orderly way. If the government intends to proceed with this improper and silly method of answering questions, I should think they would at least work out a system which would permit supplementary questions following the several questions which may have been answered.

Mr. Speaker: Order, please. I might say that I have noticed the difficulty created when more than one question is answered by a minister. We easily get into trouble later on in ascertaining which supplementary question is being asked. Perhaps the representations now made by the hon. member will be noted by the ministers.

Right Hon. P.-E. Trudeau (Prime Minister): On this point of order, Mr. Speaker, I suggest the task might be made easier as soon as the opposition has learned to ask questions of the appropriate departments.

Some hon. Members: Order.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I understood when the program was announced that it was quite proper to ask questions, and if the minister concerned could not deal with them a parliamentary secretary would take the question as notice. Am I to understand that the program is being further refined by the Prime Minister, and that he is now suggesting questions relating to a particular department might be asked properly only on the day when the minister of that department is present?

Mr. Jack Horner (Crowfoot): I should like to point out, Mr. Speaker, that the Prime Minister is nodding his head in approval of what the Leader of the Opposition just said. I should like to make it abundantly clear that the minister answering on agricultural problems is in attendance only three days a week, Wednesday, Thursday and Friday. Surely that important industry demands more than three days a week from this government.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to make a few remarks on the point of order and on the statement of the right hon. Prime Minister.

He said that he would ask the opposition to make an effort so as to direct questions to the ministers concerned. I would like him to ask his ministers to make an effort so as to give correct answers to the questions they are asked. Otherwise, he thinks we are fools, Mr. Speaker.

[*English*]

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I had risen earlier in connection with the same point of order. On Monday the Minister of Energy, Mines and Resources was here very briefly and left before we had the opportunity to ask him a question. He was not here yesterday and has not been here today. I should like to know when the minister will be here so that he can be questioned.

Mr. Speaker: Order. Perhaps by unanimous consent the minister could be allowed to answer the question now.

Hon. Donald S. Macdonald (President of the Privy Council): Perhaps in response to the inquiry by the hon. member for Parry Sound-Muskoka I should point out that the Minister of Energy, Mines and Resources is attending the meeting of the council of resource ministers. We hear a great deal from members on the other side about federal-provincial co-operation, and I think it is important that my colleague should be attending this meeting.

Mr. Ricard: Does that mean you don't believe in co-operation?

Mr. Bell: May I ask the house leader what happened to his expressed intention the other day to bring about a longer question period on Wednesday, when all the ministers are here?

Mr. Macdonald (Rosedale): I indicated at the time that if hon. members wished I would make that offer to them; but they did not take it up. If they are prepared to reduce the question period on Monday to 40 minutes, the government would be quite prepared to agree to a one hour question period on Wednesday. Perhaps if there is general agreement to that proposition we might make the order right now for inclusion in the provisional rules.

Mr. Bell: As far as I am concerned, Mr. Speaker, this is absolutely necessary. For example, the Minister of Transport, who has a very important folio, has been away twice this week on days when he should have been here, and we shall not have the opportunity to see him again for another 10 days.

Mr. Speaker: Order, please. May I respectfully suggest that the house leaders get together on this point and try to agree which question periods should be either extended or limited.

[*Translation*]

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

The President of the Privy Council (Mr. Macdonald) has just said that ministers are often busy outside the house. I think that all the members of the opposition as well as those on the government side of the house realize this.

However, according to the list, all the ministers are supposed to be in the house on Wednesday. Yet about half a dozen are missing today. Will they be here tomorrow? If half of the ministers who are supposed to be here are busy outside the house and some of the others are away, what is the use of

having a question period if we cannot meet the ministers or ask them questions?

[*English*]

Mr. Macdonald (Rosedale): Mr. Speaker, I would be glad to deal with that point too. It seems to me that whatever system we follow with regard to the question period it would be desirable for ministers, such as the Minister of Energy, Mines and Resources, to be able to participate in the way he is participating with his provincial colleagues. Although I agree he is not in the house today, I understand the meetings will be over on Friday, and that he will be in the house next Monday to respond to questions.

Mr. Caouette: That is the situation with regard to one minister, Mr. Speaker, but what about the other ministers who are missing today?

Mr. Speaker: Order, please.

Mr. McGrath: Mr. Speaker, on the point of order, I serve notice on the Minister of Defence Production, who is an infrequent visitor to the house, that I will be questioning him tomorrow on a matter of some urgency.

Mr. Valade: Mr. Speaker, on the point of order.

Mr. Speaker: Order. I understand the point of order has not been disposed of yet.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I rise on a point of order.

I sent yesterday to the hon. Minister of Transport a notice of the question I intended to put to him today. In view of the fact that I cannot put it under the rules, I wish to give him notice that I will discuss it at ten o'clock, on the adjournment motion.

[*English*]

Mr. Speaker: This is insufficient notice according to the rules of the house.

CANADIAN NATIONAL RAILWAYS

AUTHORITY FOR CONSTRUCTION OF ALBERTA BRANCH LINE

Hon. Paul Hellyer (Minister of Transport) moved the third reading of Bill No. C-109, respecting the construction of a line of railway in the province of Alberta by the Canadian National Railway Company from the vicinity of Windfall on the Windfall extension to the Sangudo subdivision of the Canadian National Railway in a westerly direction for a distance of approximately 51 miles to the Bigstone property of Pan American Petroleum Corporation and of a connecting spur extending in a northerly direction for a distance of approximately nine miles to the South Kaybob property of Hudson's Bay Oil and Gas Company Limited and its associates.

Mr. Howard (Skeena): Mr. Speaker, I rise not to debate the question on third reading, but surely the Minister of Transport (Mr. Hellyer), in a preliminary way at least, is going to answer many of the questions that were raised earlier during his absence, and which went unanswered?

Mr. Hellyer: Mr. Speaker, the Minister without Portfolio (Mr. Richardson) has taken responsibility for this bill. If there are any questions that he would care to reply to at this time, then I am sure this would be agreeable.

Hon. James Richardson (Minister without Portfolio): Mr. Speaker, all of the questions which were put were discussed thoroughly in committee, and I do not know of any that are outstanding at the present time.

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

Mr. Ed Schreyer (Selkirk): Mr. Speaker, the Minister of Transport (Mr. Hellyer) seems to be on his way out of the chamber so I suppose we are expected to agree to third reading of the bill, even although there are a number of points that have not been adequately dealt with. This is not the fault of the Acting Minister of Transport (Mr. Richardson). I do not for one moment suggest he could possibly be in a position to answer some of the proposals that were put to him the other day.

My colleague the hon. member for Skeena (Mr. Howard) and also the hon. member for Timiskaming (Mr. Peters) put to the acting minister the proposition that, within the terms of Bill No. C-109, provision should be made to require by statute that the Canadian National Railways, in the contracts that it enters into with road building and railway line contractors, should specifically recruit from the immediate area a certain percentage of the labour force required.

I know the Acting Minister of Transport said that in his personal opinion this would be a desirable course of action to take, but that was where the matter was left, Mr.

Speaker. The Acting Minister of Transport obviously feels that he is hardly in a position to go further, other than to give such a tentative outline of what he personally thinks will happen. One would have thought that during the last two days the acting minister would have taken this matter up with the Minister of Transport and other officials of the department to see whether they were prepared to go beyond the simple voicing of a personal opinion, to the point where they would agree to the inclusion of such a desirable proposal—I am using the minister's words—in statute law.

In recent months, Mr. Speaker, we have heard more and more about the problem of poverty in our country, about the inter-regional disparities in income and the inter-regional disparities in job opportunities. We are now faced with a bill to provide for the building of a line of railway in the northern part of Alberta. One assumes that this is an area where job opportunities for the local Indian population are not that easy to come by.

If one wanted to do something tangible and concrete about this problem. Mr. Speaker, rather than resorting to studies and still more studies under the aegis of the Economic Council, under the aegis of ARDA, of FRED and a host of other government agenices, studies that have been proliferating over the last few years, we now have an opportunity to do something specific through the vehicle of this bill. Poverty remains as a cruel fact, and we are doing little in a tangible way to tackle the problem.

I do not know whether other hon. members would agree with this, Mr. Speaker, but when we do have the chance to do something specific and tangible to get at the problem of low employment opportunities in certain parts of the country it does seem a pity if we do not take that opportunity. This bill gives us the chance to act. The Minister without Portfolio agrees that it is a good idea; why not do something, then?

I see that the Minister of Transport has left the chamber, and probably has the attitude that "he is all right, Jack". He does not care; he has gone. The Minister without Portfolio, who is acting for him here, is hardly in a position to say much about this proposal. Again I repeat that one can hardly blame the Minister without Portfolio for this situation.

There were some other questions put to the minister two days ago, Mr. Speaker, which the acting minister cannot possibly answer. One of the questions put previously was why the Minister of Transport, after the passage of seven or eight months, could not come to a decision about the validity of certain claims having to do with a line of railway built by the C.N.R. some few years ago. This was an important matter which was raised two years ago, and since then the Minister of Transport has been dealing with or procrastinating on the question. The Minister without Portfolio from Winnipeg South is hardly in a position to answer that particular question.

I do not know at this stage, Mr. Speaker, what more can be said, except to express indignation at the fact that when the bill comes before us for third reading the minister has not given some tangible response to the questions asked, and that he has left the chamber. What is one to do?

• (3:40 p.m.)

Mr. Speaker: Are there any further questions?

Mr. Arnold Peters (Timiskaming): Mr. Speaker, a few moments ago the Prime Minister said that the opposition was confused about how to ask questions, and I agree that that is true. Questions ought to be directed to the right minister, and in that I do not disagree with the Prime Minister. I submit the Acting Minister of Transport is in an odd position since he was, so to speak, handed a bill he did not expect to guide through the house. He has said that the Minister of Transport would be back here to discuss this matter. The Minister of Transport came in and left, and the question is, who is responsible for the bill, and who will guide it through the house? I appreciate the acting minister's words. I believe if he were head of the department worth-while action would flow from our discussions. I am not sure that, in our actual situation here, that will be so. The Minister of Transport may return to the chamber but he may leave to the acting minister the actual carrying out of certain proposals.

One problem I wish to speak about is that pertaining to the employment of local people—that is, people local to an area where a contract is being carried out. Clause 2 of this bill sets out the method of tendering, and what Canadian National must do in relation to contracts. We in this group suggest that in the areas where work is to be done, as far as possible local people should be hired to undertake some part of the construction. I think the minister is sympathetic to this idea. All the

same, we cannot be certain that the government will insist that the Canadian National in its tender documents will say that a number of people local to the area involved in the construction are to be employed. That may be a roundabout way of saying what I want to say. Perhaps the only way to bring this matter forcefully to the government's attention is by moving an amendment. Therefore, Mr. Speaker I move:

That this Bill C-109 be not now read a third time but that it be referred back to the committee of the whole house for the purpose of reconsidering clause 2 thereof.

We seek, by our motion, to bring this matter to the attention of members of the house and in a roundabout way to the attention of Canadian National Railways. The Fifth Annual Review of the Canada Council, on the topic of the challenge of growth and change, says that in remote areas in the country it is difficult to find employment for the local people who, very often, are not trained to take advantage of any employment opportunities that do exist.

To make sure that local people are employed, a clause specifying their employment will have to be included in contracts, and that will be a factor in assessing costs. The government must insist on this if it wishes to see people in remote localities gainfully employed.

Actually, we are not dealing directly with a crown corporation; third parties are involved and the crown corporation will deal with those third parties. Third parties will be employing those local people, and Canadian National must be informed that in preparing its tender documents consideration must be given to the employment of local people.

Sometimes local projects, from the point of view of providing employment, are of no value to the local people. In my area large sums of money are being spent for a hydro development. In the main that development does not help our local people. They do not need the project; they have all the electricity they can use, and even more. This hydro project is to provide electricity for southern Ontario. Since our local people are not working on it it is worthless in developing our area.

The government has suddenly decided that it has a role to play across Canada in providing employment for our Indians. We have the responsibility of seeing that subcontracts which are let in connection with the subject matter of this bill have clauses in them specifying employment of local people. We think this is only fair. Naturally we are not saying that 10 per cent or 20 per cent of any work force must be local people. Often local people may not be able to fill jobs. We are not tying this matter down rigidly. On the other hand, we do want to see local people employed and we do want to see contracts specifying the employment of local people. This matter will be raised again when the Canadian National estimates are before the house. We assure the Canadian National that we shall follow its actions closely in this matter and that we have ways of keeping this matter current. We have moved the amendment so that the house may express itself in the matter.

[Mr. Peters.]

Mr. Speaker: The hon. member has not indicated whether he has a seconder for his motion.

Mr. Howard (Skeena): I could second the motion, Mr. Speaker.

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

Hon. Marcel Lambert (Edmonton West): I suggest, Mr. Speaker, notwithstanding the motivation of the hon. member in putting forward this amendment, that the first calculation here ought to be with regard to the availability of labour in the particular area, and as to who lives in the area northwest of Whitecourt, Alberta. This is not in the far north where a sizeable percentage of the population is native.

First let us determine what is meant by a local area. Is it within a radius of 100 miles? Is it the area within that 100 mile radius? What is the incidence of unemployment in the area? This is close to the Fox Creek area, near to what is known as the Valleyview oil area. In my view, if a person is out of a job in that area, in most instances it is, frankly, because he does not want to work.

Mr. Peters: Really!

Mr. Lambert (Edmonton West): Is the hon. member so conversant with the area? I would say, with regard to this particular area, that to try to impose these kinds of terms on the construction of the extension of a spur line for the sulphur plant and the absorption plant is not realistic.

• (3:50 p.m.)

Suppose we prescribe by statute that a certain percentage of local labour must be used, and this local labour is not available; what will be the situation? Hon. members in their

amendment have failed to provide for any alternative. I maintain that the proposal in its present terms is unrealistic and that it ought not, therefore, to be supported.

Hon. James Richardson (Minister without Portfolio): I should like to say first of all in replying to the debate that as acting minister of transport I am responsible for this legislation. I have the complete concurrence of the Minister of Transport (Mr. Hellyer) and what I say here reflects his views as well as those of the Department of Transport.

I should like to say, further, that all questions which were put during the committee stage were answered, and that the particular question which is being discussed now on third reading about employment in the local area was answered by me. I said I was in agreement with the general thought that local people should be employed. I undertook, also, to refer this matter to the officials of the Canadian National. I shall go further at this point and say I shall be pleased to send copies of the letters I shall write in this regard to hon. members who have raised this matter, that is copies of the letters I intend to write to the Canadian National in this regard.

As to the point which has been raised in connection with the Great Slave Railway, I suggest that this has no bearing on the legislation we are considering today. The difficulties which arose under that contract should properly be discussed when the affairs of the C.N.R. are before the appropriate standing committee of the house, not during the passage of another piece of legislation.

I should like to conclude by saying that this legislation really boils down to something very simple. There are two new sulphur recovery plants in the Alberta gas field west of Windfall and in order to remove the sulphur and the liquid petroleum gas produced by these plants the two companies involved have entered into long term traffic guarantee contracts with the C.N.R. These contracts not only pay for the construction of this new branch line but cover all operating costs, and also, as confirmed by officials of the railway, they provide a surplus to the Canadian National. Construction of this line is therefore clearly in the interest of the railway and therefore in the interests of the Canadian taxpayer.

Mr. Howard (Skeena): Would the minister permit a question before he ends his remarks? The hon. gentleman has indicated he will be prepared to make available his communications to the C.N.R. in connection with this employment question. Would he also make available the replies received from the railway company so that we may know what reaction is forthcoming?

Mr. Richardson: I do not believe I can undertake to reveal the correspondence of another party. I will reveal my own correspondence.

Mr. Schreyer: I was wondering whether I could ask the minister a question.

Mr. Speaker: Is the minister prepared to receive an additional question?

Mr. Richardson: Yes.

Mr. Schreyer: What the minister has said is reasonable enough. Since he has stated that the subject matter of the Great Slave Railway and claims arising therefrom could properly be raised before the standing committee, will he undertake to have this subject matter placed before the standing committee on transport and communications?

Mr. Richardson: I assume that the responsibility for bringing that matter forward would rest upon those who are concerned about the matter. I simply said that the committee was the place where a matter of that kind ought to be considered, rather than in the house during the passage of this legislation.

Mr. Schreyer: On a point of order.

Mr. Speaker: I have to remind hon. members that we are no longer in committee. We are on third reading and we should not return to the type of discussion or debate which is normal during the committee stage of a bill.

Mr. Schreyer: I rise on a point of order. The minister indicated that whoever was concerned with this matter of the Great Slave Railway should bring it before the committee. But since it is the rule that only the minister can refer subject matters to the standing committee I ask him whether he would be prepared to do so. It is his prerogative.

Mr. Speaker: This is not a point of order. It is an argument about the interpretation of the rules of the house.

Mr. John Gilbert (Broadview): The minister has given an assurance to the house that he will bring this principle in relation to local employment to the attention of the Canadian National, and this gives us some cause for rejoicing.

Would he also bring to the attention of the railway company the problem which affects many workers in respect of contracts of employment which contain the non-fraternization clause. I am thinking specifically of the Marconi *v.* Whitfield case. Marconi had a contract from the government and the company's employment contract with one of its employees contained a clause that the employee was not to fraternize with Indians or Eskimos. This railway, as we know, is to be built in an area in which large numbers of these people are living. I wonder whether the minister could give us some assurance that he would seek to ensure through his contacts with the C.N.R. that this non-fraternization clause is not included in the work contract.

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

Mr. Peters: Mr. Speaker—

Mr. Speaker: Order. The hon. member has made a speech on the amendment. He cannot make a second speech on the amendment unless he has the unanimous consent of the house to do so.

Mr. Peters: I do not wish to make a speech. In the light of the assurance the minister has given us that he will accept responsibility for making representations to the C.N.R., I ask leave to withdraw the motion, if I am given the unanimous consent of the house.

Mr. Speaker: Does the hon. member for Timiskaming (Mr. Peters) have leave of the house to withdraw the motion now before us?

Some hon. Members: Agreed.

Amendment (Mr. Peters) withdrawn.

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

• (4:00 p.m.)

FARM IMPROVEMENT LOANS ACT

AMENDMENTS EXTENDING PERIOD, RESPECTING INTEREST RATES, ETC.

The house resumed from Monday, October 7, consideration in committee of Bill No. C-111, to amend the Farm Improvement Loans Act—Mr. Olson (for Mr. Benson)—Mr. Faulkner in the chair.

On clause 1.

Mr. Baldwin: Mr. Chairman, before the minister makes a statement may I ask him an ancillary question related to this, and to some extent having an effect on the nature of our business. Has the minister given any consideration to the matter I raised with him, that when this bill is completed he might be prepared to change the order of priority and proceed after this with the bill relating to the Prairie Grain Advance Payments Act rather than with the bill to amend the Farm Credit Act?

Mr. Olson: Mr. Chairman, I did give consideration to it, although I think it was only about a ten minute consideration. I agree it is urgent that the cash advance legislation be put through as quickly as possible, but I would not like to admit that the bill with respect to the Farm Credit Corporation is not also urgent. The reason I say so is because there is a necessity to increase the cash for the corporation so that it can continue its operations. The corporation usually gets a large number of applications for credit at this time of the year, and it would be rather helpful to it if the bill relating to it were to go through also.

I am sure the hon. member realizes there is the other problem of having the legislation come through in some kind of order, so that the officials who are required to answer hon. members' questions may be on hand and ready to come into the committee when needed. Since the hon. member raised this matter with me, a few minutes ago, I have been unable to get in touch with the Minister without Portfolio (Mr. Lang) from Saskatoon, to ascertain whether or not he and his officials are ready to proceed at once.

My hope is that we could get this bill through, then the farm credit bill, and get on to the cash advance legislation as well. As a matter of fact it is going to be called, once these other bills are through. I should also say I would be willing to wait with the bill to amend the Farm Machinery Syndicates Credit Act until the cash advance legislation has gone through, because it is not as urgent. There are some important amendments in it, but it would not cause any great difficulty from the point of view of administration or from the point of view of people who use that act, if the amending bill were delayed for a few days. I would be willing to put the cash advance legislation ahead of the farm syndicates legislation, but I would not be willing to give any other assurance at this point. We shall have to assume that as soon as the farm improvement loans legislation goes through, the Farm Credit Act amending bill would follow, until or unless I have made other arrangements.

Now, Mr. Chairman, I am prepared to make a statement which I suppose will take ten or eleven minutes about a matter that was raised by many hon. members, that of the prescribed interest rate in the Farm Improvement Loans Act, if hon. gentlemen opposite would like me to do that. I have to say that this very comprehensive statement was prepared by the Department of Finance and by the Minister of Finance. However, much of it was contained in the remarks that I made the other night at the close of the resolution stage and I would not like to deprive hon. members of the time we have left today, if they would rather not hear the statement.

Mr. Horner: Let us have it.

Mr. Olson: Mr. Chairman, I would like to make these few remarks on a point that is of real concern to members on both sides of the house, namely the proposal that the statutory interest of 5 per cent on farm improvement loans be changed. But before commenting on the interest rate itself it may be useful to recall the circumstances in which F.I.L.A., as farmers and bankers alike have come to call it, was first established.

The origins of F.I.L.A. are rooted in the great depression. Financial disaster had then overtaken a large number of farmers, and relationships between borrowers and lenders were strained, to put it mildly. In the years that followed farmers had to rely for credit for the most part on people with whom they dealt in marketing their products, like merchants, and from whom they bought their equipment. But this was very expensive credit, apart from the fact that it often prevented farmers from dealing freely with whomever was going to give them a favourable price.

It was in this setting that the government introduced the Farm Improvement Loans Act as an incentive for chartered banks to enter the term lending field in rural areas on a major scale. This incentive was a twofold one—the government guarantee, and a rate of interest that afforded the banks a reasonable return. It may be interesting to recall for hon. members what was said by Hon. Mr. Ilsley, who was minister of finance at the time. He said in part:

> The rate of interest is to be limited to a maximum of 5 per cent simple interest per annum, which is considerably less than rates generally obtaining for this kind of accommodation to farmers from merchants, dealers or other present sources and is, I believe, somewhat less than the average rate charged to farmers by banks on short term loans. It is reasonable that the rate should be lower since an important part of the risk is being borne by the government. Nevertheless, earnings must be sufficient to cover the banks' costs of operation and to give them an incentive to go out after business.

I submit, Mr. Chairman, that this principle is essentially the same as the one we have to look at today if we want this program to be again as effective and useful as it had been until recently—and when I say recently I mean until interest rates in the market went substantially above 5 per cent.

When the 5 per cent under F.I.L.A. was established, yields on government of Canada five year bonds were 1.92 per cent. The bank rate, the rate at which the Bank of Canada lends to financial institutions, was 2 per cent. The rate at which banks were then making loans to their prime customers was 4½ per cent, that is, half of one per cent below the F.I.L.A. rate.

I mention the banks' prime rate because reference was made to it during the debate. It relates of course to interest rate levels generally, and an even better measure of this is yields on government of Canada bonds. I would therefore prefer to look at changes in interest rates more in terms of changes in yields on government of Canada bonds. And if we really mean it when we say that F.I.L.A. should be reactivated, then we must take into account changes in the level of interest rates.

F.I.L.A. loans are made by private lenders from funds placed on deposit with them by other customers, and if they are not afforded a return that is commensurate with their costs, then they are just not going to make loans. What we have to aim for is a rate level for F.I.L.A. that is sufficiently high so as to give lenders "an incentive to go after the business", in the words of Mr. Ilsley, and that is at the same time sufficiently low so as still to represent a cost factor to farmers that is appreciably less than what they would have to pay without the guarantee program.

Perhaps I should emphasize that the cost of credit is not the only consideration in the interests of farmers. I have in mind in particular the small farmer. Farming generally has come a long way in the last two decades, and there are many farmers today who run highly successful commercial type operations for which they can get credit quite readily, and at rates probably not much above those that will prevail under a reactivated F.I.L.A. program.

While F.I.L.A. will be helpful also to this group, it is much more vitally needed by the smaller farmer whose creditworthiness may not be as well established, and chances are that it is this smaller farmer who will have to depend on F.I.L.A. to get at reasonable cost the credit he needs to buy equipment for the improvement of his farming operation.

• (4:10 p.m.)

Back in 1944, when the farm improvement loans program was being formulated, it was quite feasible to have a rate established in the legislation itself, and to leave it unchanged for an extended period of time. This approach did indeed work quite satisfactorily for quite a number of years. In recent years, however, there has been an increasing need for greater flexibility and quicker responsiveness to change in the economic environment. The need for greater flexibility in the rates of interest on guaranteed loans was recognized as early as 1960 when the government of the day brought before the house, as a companion measure to the highly successful F.I.L.A. program, the Small Businesses Loans Act, under which guaranteed loans may be made to small businessmen. This act, which became operative early in 1961, provides that the interest rate is to be prescribed by regulations. Another more recent example can be found in the Canada Student Loans Act which was passed in 1964. I find myself in full accord with opposition members when they suggest that the F.I.L.A. interest rate be determined by a formula, and I can gladly assure the house that we expect to prescribe a formula for the determination of the interest rate, and not a new fixed rate.

I cannot give the house at the moment full details of such a formula, because they have not yet been fully worked out. In the case of guaranteed loans, such as those under the Farm Improvement Loans Act, it is appropriate, and it has been the practice, to consult with the lenders before finalizing the details for a formula on interest rates on loans to be made by these lenders that will apply after the measure now before the house has been approved. I should like to make a small correction here and say that with respect to the Small Businesses Loans Act and the Canada Student Loans Act there have been consultations with the lenders before the prescribed rate, which in this case would be the maximum rate under which the guarantee is available, has been set down. But I would be glad to outline the general principles which we are currently considering in connection with the construction of such a formula. The formula will certainly relate the Farm Improvement Loans Act rate of interest to generally prevailing levels of interest, and this will probably be measured by reliance on yields on government of Canada securities of comparable term to maturity. In addition, I would expect that there will be a mark-up in respect of administrative cost. There should be provisions for periodic adjustments in the rate, perhaps quarterly, but the guiding principle should certainly be that adjustments would come about automatically, triggered by changing circumstances in the capital market.

I should add that this approach is much more likely to work to the advantage of farmers over the long run than would a rate fixed for a long period of time. True, when interest rates go up, farmers along with all other groups of borrowers, have to pay more, but farm improvement rates would also go down more quickly as monetary conditions change. This is the kind of flexibility that we are confident will work to the full advantage of the farming community, keeping in mind, again, that what is of importance to farmers is not only cost, but also availability.

I should like to say in conclusion that it would be nice if at this point we could state the specific amount, or give all the factors which would be included in the formula; but I am sure hon. members opposite will realize that in view of the availability of funds of those people who will actually be lending their money, and in the hope that this measure will be enthusiastically supported we have to consult with the lenders and arrive at a rate that, as I have said many times, is high enough so that it will be used and yet low enough so that the guarantee does in fact constitute a real assistance to some of the borrowers whose credit rating may not be such as to warrant their obtaining the most favourable rate at the present time.

Mr. Horner: Mr. Chairman, the minister's remarks have been a perfect example of what should be done at the very beginning of the debate on a subject such as this one. Many hours of questioning of farm representatives have gone into the preparation of this bill. If the minister had made his ten minute statement the day before yesterday, I am sure that much of the concern which many hon. members on this side of the house feel would have been alleviated. However, all this goes to substantiate the belief that, in a democracy, debate is very necessary and is one of the freedoms we enjoy—the freedom to express

ourselves and the freedom to be concerned about this vital industry.

However, when I look at the minister I cannot help remembering the time when he was a member of the party to my left, and I find it somewhat amusing that he should go back to speeches made by former ministers of finance to support his own beliefs today. A former minister of finance said that the rate of interest on this type of loan shall be considerably less than on loans made to farmers for other purposes by the same banks. This is the interpretation we have put on that quotation. I see concern on the minister's face, as if he wished to say I was misinterpreting his remarks; but I listened very closely to them. The hon. Mr. Ilsley said:

> —considerably less than rates generally obtaining for this kind of accommodation to farmers from merchants, dealers or other present sources and is, I believe, somewhat less than the average rate charged to farmers by banks on short term loans.

I am still in complete agreement with this principle upon which the Farm Improvement Loans Act was founded. I am sure hon. members on this side will agree with me when I say we cannot accept the excuse the minister gave us for not giving us a formula today, that there has not been sufficient time for consultation. I urged him to proceed with this legislation yesterday, but the government did not respond to my urging. I was under the impression then that he may have been consulting with the banks. I would like to think the government had done so perhaps last February. Surely to goodness he can do better than come to the house and say, "We cannot announce the formula beforehand because there has to be further consultation". We cannot accept this, after we have heard the government say they had this legislation last February. I know that the Canada Student Loans Act legislation was passed with the open end interest rate clause in it. I know that the Small Businesses Loans Act was passed with a similar arrangement. Because of this fact, during the early stages of this bill I stressed how badly the agricultural industry needed an enticing interest rate. The farmers needed more money. Some months ago the Prime Minister expressed his concern in Winnipeg about the cost of input into the agricultural industry. I am not trying to compare in any way the needs of the agricultural industry with those of small businessmen or university students, but may I refer to the report of the Economic Council of Canada which stated that the agricultural industry needs more capital to catch up with the output of the agricultural industry in the United States. This is what we are arguing for here.

We want that output put into the agricultural industry at no greater increase. This is what the Prime Minister said in Winnipeg on June 2—that the agricultural industry cannot stand a higher cost of input. This is what we are worried about.

• (4:20 p.m.)

The minister has referred to an interest rate comparable to the yield on five year government securities. In order to make sure I understood him correctly, I should like to ask him whether that is what he said. Is that going to be the guide line for this fluctuating interest rate? We would like to know what it is going to be.

The minister went on to refer to the cost of issuing loans and suggested this would have to be taken into account. I immediately became concerned, because when he was speaking as a member of another party that sat to my left he indicated it would only cost 2 per cent to issue these loans. Will that 2 per cent added to the interest rate be comparable to the yield on five year government securities?

The minister did make a comprehensive and clarifying statement, and I commend him for that, but he has left me in doubt on a couple of points. I should not like to see him compare agriculture with any other industry. We know that thousands of dollars are being spent on educational facilities for students. One might well suggest that this is subsidizing the students. I do not think it is fair to compare government guaranteed loans to the agricultural industry with similar guaranteed loans to other segments of the economy. We must consider this as direct aid to the industry without making any comparison. Will this move the industry in the right direction? I hope the minister will clear up this matter.

Mr. Olson: Mr. Chairman, I can answer this question immediately. I said the rate would be related to comparable term securities. The hon. member has read the bill and I am sure he knows there are some terms longer than five years available on certain type of borrowing under this act.

Mr. Horner: I realize that previous to this time there has been a ten year clause but I must consider the practical applications of this bill. The terms of loans in the past have rarely exceeded five years, and I would suggest that the average has been three years up

until the last year or two when there has been a movement toward terms of four and five years. The minister says the rate will be comparable to the yield on government securities, but there can be a great difference. If the minister bases this on the average of long term government securities there could be a difference of 1 per cent. Surely the minister can clear up this matter.

I thank him for his statement in which he expressed for the first time during this debate his concern for interest rates. I thought he had forgotten all about the farmer's desire and need to obtain money at interest rates which would allow him to pay back the loan. However, while he did express concern, I think he should be a little more specific.

No amount of talk can convince me that the Minister of Agriculture and the Minister of Finance have not had ample opportunity to discuss this matter with bankers. This bill has been under consideration for at least three or four months and they have had enough time. If these ministers believe in democracy they should not hedge or be secretive about this formula. Perhaps the minister does not have to write this formula into the bill, but at least he could tell us exactly what he is attempting to relate it to without comparing it to the yield on government securities. He has not even indicated whether he has in mind terms of five years or ten years, a short term of 91 days or a long term. The minister has given us some information but he has not given us as much as I am sure he could if he made an attempt.

Mr. Olson: Let me say to the hon. member that we are not attempting to be secretive, but I should like to be as accurate as possible. I do not want to say things on speculation, as I am sure hon. gentleman wants accurate answers. I have said I agree with the hon. member that the availability of funds is very important, as well as interest rates. When this bill is passed we want to be sure we will have the flexibility to guarantee a continuity of sufficient funds to make the act operative. The hon. member said at the outset that if I had made this statement a few days ago I might have cleared up a lot of problems. I went into great detail on this point and I think I said essentially the same thing I will say again. Perhaps it was not quite clear.

The hon. member will realize that the government wants our statements to be up to date. When things change we want hon. members to know so they will have information that is as current as possible.

[Mr. Horner.]

Mr. Horner: Will the minister indicate what government securities this will be based on? Is it to be linked to five or ten year bonds, the long term average or the short term average?

Mr. Olson: Mr. Chairman, there would have to be an assessment made and perhaps some averages worked out. We may have to make an arbitrary decision as to what those averages should be based on. There will have to be negotiations with the bankers, because the money belongs to the banks.

What we have in mind is what we have stated. If some of the averages under the Farm Improvement Loans Act turn out to be in the area of five to six years for similar types of loans, then of course we would have to take that into account and base it on securities of the government for a comparable period of time.

When we have passed the amendments there will probably be some longer terms involved for land purchases than for farm machinery purchases. All of this is not clear as yet, and we would like the flexibility to prescribe the rate in order to take into account these factors. I have said very clearly that this will be related to government of Canada bonds over a comparable period of time.

Mr. Douglas: Mr. Chairman, I should like to ask the Minister of Agriculture several questions. Many farmers are waiting for this act to be passed in order that they can make loans under its provisions. I was wondering whether the minister could tell us how soon after the bill is passed and enacted into law farmers will be able to obtain loans under it. Also, how soon after the bill becomes law will the prescribed interest rate be set? Farmers who have been making time purchases of machinery and other items in the last few months are paying a high interest rate. Will it be possible for them to re-finance their loans under the Farm Improvement Loans Act?

• (4:30 p.m.)

Mr. Olson: Mr. Chairman, in answer to the last question, I am sure the hon. member for Assiniboia realizes that it raises additional problems when he talks about re-financing. The Minister of Finance has given an undertaking that the loans which have been made since the act expired on July 1 will in fact be available to receive a government guarantee. It will be up to the banks and the customers to decide whether they will make an applica-

tion for this guarantee, which would hopefully somewhat reduce the interest rate that applied to the demand note.

But when you talk about re-financing, there are other kinds of re-financing that have been applied for from time to time. I refer to the financing carried out by the machinery company itself. We know for example that in some cases this type of financing includes taking delivery of the particular piece of machinery, without any down payment, and later applying for a loan under the Farm Improvement Loans Act. This is re-financing of a somewhat different nature, because then you are financing a secondhand piece of equipment at the full new price, or whatever the farmer paid for it. This raises some problems.

Again, there is no question about the government guarantee being made available for loans made by the banks since July 1. The Minister of Finance has announced that this guarantee will be available. The hon. member also asked how long it would be after the bill is enacted before loans under this program were available. I think a related question was, how long would it be before the interest rate is set. The prescribed rate would have to be set before the provisions of the guarantee would be available. I am sorry that I cannot give an exact date, but I assure the hon. member that we are keenly interested in setting this rate as quickly as possible.

Mr. Gleave: Mr. Chairman, I do not wish to speak at any length on this bill. Possibly the reason it is not proposed to continue the interest rates within the act is the financial condition of our country, which is such that interest rates and the cost of money have become rather uncertain things. I believe this could be the reason. Whatever the formula will be, if it is a stable rate there is no reason why it should not have been included in this bill. Then we would know what it was going to be. The fact that it is not included in the bill will mean, of course, that the government, the lending companies and the banks will get together and ask (a) how much must we have? (b) how much will the traffic stand? and (c) what can we get back? These are the questions that have to be answered. They might as well have been answered right here in the house as later, because these are the factors that govern the setting of the rate in respect of the hiring of money. That is what we are talking about, namely how much the farmer will have to pay for hiring money with which to run his operation. These are the factors about which a former minister, who was mentioned earlier in the debate, was talking. As I said before, Mr. Chairman, whatever method or formula is to be adopted, it might just as well have been brought before the house and incorporated in this bill.

The other matter with which I should like to deal, if I am in order in so doing, Mr. Chairman, is that of including loans for land within the provisions of the act. As I mentioned the other night, this does not really add up. I do not know why we bring land under the provisions of this act rather than leaving it within the terms of the next act to come before us. There can probably be a good case made for farmers needing intermediate term loans with which to buy land. If it can be made, this has not been done. No satisfactory answer has been given to this question. The fact is that short term loans in respect of land is a pretty good way to get the farmer into a fair bit of difficulty in trying to repay the loan. Too much has to be repaid in too short a period of time.

If we do need an intermediate term loans program in respect of land, it should have been left to one of the other bills. It should be part of the function of the Farm Credit Corporation to supply money for this purpose. I have never seen any recommendations by the Farm Credit Corporation that we need short term money for land. This is what a 15 year repayment program is; it is short term money as far as land is concerned.

I tell the minister that I speak with some experience in this regard because I bought land when there was no Farm Credit Corporation, and had to make heavy payments on a short term loan. This just raises heck with one's living standard because the loan is paid back so fast that you find it difficult to maintain the standard of living you should enjoy.

Therefore I say again to the minister that this provision of the bill just does not make sense, unless there are trust and insurance companies who feel they would like to participate in the program. Those are the points I wish to make, Mr. Chairman.

Mr. Olson: Mr. Chairman, the hon. member has asked why it is that we include land in this bill rather than in the one dealing with the Farm Credit Corporation. We think there is a place in this bill for a provision in respect of smaller amounts and smaller parcels of land because, as my hon. friend knows, it is easier to make application to the bank in respect of them. In addition, it is less costly

to obtain credit in this way for smaller parcels of land than to go through the process of making application to the Farm Credit Corporation, with the legal fees involved in mortgages, and so on, which is the way in which the F.C.C. must operate.

Mr. Gleave: What is the approximate cost of processing a loan through the Farm Credit Corporation?

Mr. Olson: I am not exactly sure of the total cost. I think they used to charge an application fee of something like $50. I believe this has been reduced to $10. But I suppose the legal fees for each mortgage are not identical. I understand there is a cost involved here of anything from $50 to over $100, because inspections have to be made by the field staff and one has to pay for these. We do not have any assurance at this stage as to how the banks will respond to lending money for the purchase of land; they have not been in that business for some time. From time to time we are prepared to make available for assessment purposes, in an advisory capacity only, the competent people that we have in the Farm Credit Corporation, if some kind of arrangement can be worked out with the banks and provided they want to make use of this facility.

• (4:40 p.m.)

Mr. Gleave: Might I suggest that the fee, whatever it may be, whether it is $10 or $50 for inspection is not very significant when you are borrowing $15,000. Might I also suggest there are legal fees involved in the transfer of land whether you are buying it on a 15 year or 30 year mortgage; you are going to pay legal fees anyway. I had hoped that the minister could surely come forward with a better argument than that. I do say that this is a departure in lending policy and unless it can be justified it should not be followed.

Mr. Olson: In reply to that, Mr. Chairman, we are of the opinion that there is a place for a government guarantee. Until this amendment was written there was no place where the government guarantee was available to farmers for buying small parcels of land except through the Farm Credit Corporation. Unless there is a major change in the manner in which these loans are processed, then I do not see how these changes can be made. It is easy and simple for these smaller purchasers to go to their local banks. There are not nearly so many government offices close at hand. I am not saying that this is a problem which is insurmountable; but for convenience sake and the cost of processing, there is a place for government guarantees for loans on purchases of small parcels of land.

Mr. Stewart (Marquette): Mr. Chairman, I would like to ask the minister a question on his earlier statement, when he was referring to those interest free deals that are supplied by machinery companies. The minister stated that if the farmer goes to the bank to make a loan on an interest free deal, the bank cannot make a loan at this time because it is then a used piece of equipment. Does this mean we are going to have a rate for new machinery and a rate for used machinery? Previously only a down payment was required.

Mr. Olson: No, I was not saying that you could not make a loan under the Farm Improvement Loans Act for used equipment. I can understand the hon. member's apprehension because when I finished saying what I said I wondered at that time if I left some misunderstanding. What I intended to say was that under the provisions of the previous act there was no possibility of refinancing; whether it was a piece of new or used equipment was not that important. I do not know all of the answers. This could be handled by regulation I suppose. Most farm equipment dealers have an arrangement whereby they finance within the company a piece of equipment with no down payment at the time, and sometimes the first payment is as much as six months or more later after the delivery of the piece of equipment. This does in fact constitute re-financing, whether the machinery is new or old. We have to take this into account. I do not think the statement of the Minister of Finance included that kind of re-financing. What the minister was talking about was that a government guarantee would be made available to loans that were made by the banks from July 1 until the date that this act becomes operative, to attract the lower rate.

Mr. Stewart (Marquette): I would like to ask a further question, Mr. Chairman. A lot of this farm machinery is used seasonally. An example of this is a combine. This may be purchased right after the harvest season and not put into use for another 10 to 12 months. The farmer may wish to take advantage of a price reduction by ordering equipment in the fall. If he does not use the machine for 10 months, he can get an interest free program from the implement company. It is not uncommon in this day and age for a farmer to obtain a loan of $8,000. If you use the rate

of interest of 6 per cent and if he can take advantage of an interest free loan from the machinery company, then he can save himself around $400. I should like to see such a provision in the act.

Mr. Olson: Mr. Chairman, I realize that this practice has grown up recently, as my hon. friend knows. There are some distinct advantages in accepting pre-delivery because of discounts and that sort of thing. I know there have been legal questions. I have discussed this matter with many bankers—I will reveal no names—and they have in fact granted farm credit loans as if there had been no re-financing. However, they have been a little disturbed about the legal implications because there was, in fact, re-financing. We will look into it and try to cover that matter in the regulations.

Mr. Stewart (Marquette): I think this should be looked into because in some areas re-financing can be arranged through the banks while in other areas it cannot.

Mr. Bigg: Mr. Chairman, I am pleased to have heard the statement from the Minister of Agriculture, which has cleared up some problems. I am afraid that he has not reassured me on one of the most important points of all. I am concerned about farming, as I am sure he is—about whether or not his department, and the government generally, are putting their finger on the real problem today. If we are going to support agriculture, and I am sure we are, is the money that we are providing going to the right people?

The group we are trying to help are the family farmers of Canada. I have been intimately in touch with this group of family farmers for the last ten years, and they have indicated almost unanimously that they are not getting the help parliament is trying to give them. When financial institutions are given the responsibility of parcelling out the money they want an efficient operation; they want to make as much money out of the transaction as they can. The cost of putting out a large loan is very much the same as the cost of putting out a small loan. If you look into the statistics as to where money has been lent, you will find that the average loan is quite large. I am referring now to all the areas covered by these bills.

Most of these loans are going to people who really do not need the money at all because their credit is good. You can tell this by the amount of money being paid back. This money is being repaid in spite of the lack of markets, and in spite of the holdover of grain on our farms. Most of these loans are being repaid, and you know why; they are being repaid because the money is being lent to people who do not really need the money. There are hundreds of farmers who need a small loan of $5,000 or $6,000 and they are not able to get it because priority is being given to the large, well guaranteed loans, the loan that no bank has to worry about. These loans are guaranteed by 6,000 or 7,000 acres of good arable wheat land. These farmers do not need to go to the government to borrow money when they are engaged in that type of operation. In many cases these farms are owned by corporations or by rich men who are plowing their income back into farming in order to escape income tax. If you lend such a man $17,000 or $20,000, of course he is going to pay it back.

I must say I have had literally hundreds of complaints from the little fellow who needs a loan most but cannot get it. Apparently the selling point of the government to parliament today is that we are short of money; but there is money for good purposes. We have to justify to the people of Canada the fact that we are going to ear-mark $500 million or $600 million to help agriculture. I do not think that the taxpayers of Canada want to subsidize the wrong people. I think the government of Canada should take the trouble to find out exactly who needs help in order to try to steer this money into the right channel.

• (4:50 p.m.)

The hon. member for Saskatoon-Biggar, who has just taken his seat, knows the problem intimately. In this very building, Mr. Chairman, he at one time asked me to take my seat at a farm union meeting because I had asked the farm unions to define what is a family farm. I do not know why such a definition was not forthcoming five or ten years ago. Certainly I should like a definition today.

I am sure the minister knows what is the problem here. I would ask whether there is not some way in which to write into all four of these bills the principle that the money that is lent should go to those who need it the most. I think that we should, we can and that we must supply money to these people, and I do not think we need worry too much about the formula the Conservative administration established, which set an interest rate at 5 per cent.

I realize, Mr. Chairman, that from time to time conditions change. When the Conservative government lent money at 5 per cent, the going rate at the Bank of Canada was 3½ per cent. This left 1½ per cent which was almost a gift to the banks making the loans. These loans were guaranteed by the treasury of Canada and the loss sustained amounted to a decimal point of 1 per cent. In effect this 1½ per cent margin was an administrative charge only. The whole thing was a cinch. Any finance institution that had the rent paid was only too glad to lend out $5 million or $6 million at 1½ per cent at absolutely no risk.

Banks today may not want to lend money at that rate because they can lend it for other purposes at rates between 8 and 10 per cent. Nevertheless I think the banks would lend $5 million or $6 million if a profit were guaranteed. If banks could earn a decent income by passing money through their hands at no risk, then they would be glad to lend this money today. However, they will not do this unless the money is earmarked by the government for a specific purpose.

When money is made available, Mr. Chairman, you just do not leave it to the banks to lend it to whom they please. We should tell the banks to whom this money is to be lent. I think things have been upside down here. As a government we have been insisting on giving this money to those who need it the least, and preventing those who need it the most from receiving it.

I do not want to go outside these four bills at the present ime, Mr. Chairman. The dairy industry and other branches of the agricultural industry have taken the same attitude toward the family farm, that it should be in Canada to stay. When money is lent, the cost of that money must, of course be taken into consideration.

We must remember, Mr. Chairman, that Canada is still a pioneer country. There should be 50 to 100 million people living in this country. Are we going to leave agriculture in the hands of a few hundred thousand people, or are we going to establish policies that will mean that Canada will have an ever-expanding agricultural industry employing more and more people instead of less and less? If the fewer and fewer farmers of today continue to expand their operations and get richer, then I suggest we cut off entirely our support for this kind of operation. The only kind of operation that I would support is one that takes the long view of our agricultural industry in Canada and makes sure there are more and more family farms in the country instead of less and less.

This particular bill, Mr. Chairman, seeks to expand the supply of money for the improvement of farms and the purchase of land. That is fine, provided the main principle to which I have referred is kept in mind, namely that this money is not just earmarked for the large farmers so that they can expand and take in neighbouring farms. We must make sure that a small farmer is able to buy enough land for his own particular operation.

Size alone, Mr. Chairman, is not the only criterion. I know one farmer in my district who has raised eight children on a quarter section of land. At fall fairs he is the man who has the red ribbons on his cattle. He would not necessarily be a better farmer if he had 10 sections of land. Perhaps he could have done a better job with half a section of land, and in a case like that where a farmer has a good operation on a quarter section by all means let us open the door and lend him the money to buy another quarter section, because a half section would be a more efficient unit.

Mr. Olson: Mr. Chairman, could I help the hon. member here. He said that loans have been in region of $18,000 to $20,000. I should just like to quote him some figures in this respect. In 1950 there were 58,969 loans under the act, the average being $1,075. In 1957 there were 57,988 loans made, the average being $1,199. In 1967, which is the last year the act was fully operative, 78,249 loans were made, the average being $2,602. So I am unable to follow the logic of the hon. member when he says that this legislation is not for the small farmer. There were literally thousands of loans made below $1,000 and between $1,000 and $2,000.

Mr. Bigg: I presume, Mr. Chairman, that the minister refers only to loans made under the farm improvement legislation.

Mr. Olson: That is the only act that is under consideration at the moment.

Mr. Bigg: I know that that is the only act under consideration, Mr. Chairman, but to prevent speaking four separate times on the subject I thought it would be acceptable if I talked about the principle behind farm loans under all four bills, Nos. C-110, C-111, C-112 and C-113. In my opinion, the principle behind all these bills is the same. I should like to know how we are spending the taxpayers' money and guaranteeing these loans on this general principle.

Mr. Olson: The answer to that, Mr. Chairman, is that we are making this money available to thousands and thousands of farmers with all sizes of operations.

Mr. Bigg: Mr. Chairman, my experience has been that there are many smaller farmers who are unable to qualify for loans because the supply of money runs out. Preference is given to the larger, more efficient—I put that in brackets—farming units.

The Chairman: Order, please. So that the house may proceed to the consideration of private members business, shall I rise, report progress and request leave to sit again at the next sitting of the house?

Some hon. Members: Agreed.

Progress reported.

Mr. Deputy Speaker: Order. It being five o'clock the house will now proceed to the consideration of private members business as listed on today's order paper, namely notices of motions, public bills.

EXPROPRIATION ACT

AMENDMENT RESPECTING TREATMENT OF PROPERTY OWNERS

On the order: Private members notices of motions:

No. 5—Mr. Chappell—September 18, 1968

That, in the opinion of this House, the government should consider the advisability of giving immediate consideration to amending the Expropriation Act so that an owner whose property is expropriated will be dealt with in a more business-like and just manner, and more particularly so as to provide for a notice before the expropriation takes place, for a substantial advance of money at the time of taking property, for the spelling out of measures of compensation, for the change of interest rate to the bank rate of interest, and, finally, to provide that if property is affected or invaded in part by an act on the part of expropriating authorities, the owner may call upon authorities to take all his land or property.

Mr. Hyliard Chappell (Peel South): Mr. Speaker, I am ready to proceed with the motion but the Minister of Justice (Mr. Turner), who wishes to be present to speak to it, is absent on government business. Therefore I ask that the house grant unanimous consent to allow the motion to stand until the house next deals with private members notices of motions, and that the motion retain its position.

Mr. Deputy Speaker: Is the house agreed?

Some hon. Members: Agreed.

Motion stands.

• (5:00 p.m.)

HEALTH AND WELFARE

WITHHOLDING OF SHARED COST PAYMENTS FOLLOWING IMPOSITION OF UTILIZATION FEES

Mr. Les Benjamin (Regina-Lake Centre) moved:

That, in the opinion of this House, the government should give consideration to amending the Hospital Insurance and Diagnostic Services Act and the Medical Care Act to provide that the imposing by any province under its own hospitalization and medical care plans of deterrent or utilization fees upon recipients of these services, will disqualify such province from receiving any share of costs from the Government of Canada.

He said: Mr. Speaker, as the house is aware the purpose of the resolution is that this government should give consideration to amending the Hospital Insurance and Diagnostic Services Act and the Medical Care Act and, as Your Honour read, to provide that where any province imposes utilization or deterrent fees upon hospital or medical care services under its own provincial hospital or medical care plan, it be disqualified from obtaining any share of the costs of its hospitalization and medical care plan from the federal government. This would apply whether the deterrent fee is a co-insurance fee, utilization fee, or anything else that one may want to call it.

Universal public hospitalization and medical care plans in theory imply, and in fact require, that the total population prepays the cost of hospital and medical care benefits that any citizen may incur in the event of illness. Despite organized opposition from some individuals and groups, the fact remains that the overwhelming majority of Canadians wish to participate in a collective way to protect themselves and their families from being faced with large financial obligations at the time of or immediately after illness strikes.

During many years of experience—much of it bitter—which led to a demand by the people for a method of insuring themselves against the day when sickness or injury might strike, various organizations, then municipal governments and then provincial governments moved to implement plans that gave a citizen this kind of protection and service. In other words, Mr. Speaker, the consumers of medical and hospital services decided, through their governments, to prepay the costs of their hospital and medical care needs.

Underlying these measures is the principle that good health is a right—I emphasize—is a

right of every citizen, and not a privilege. It is a basic tenet of such public programs that, regardless of financial means or station in life, the right to good health and treatment for illness shall not be denied to any citizen because of financial barriers.

On December 8, 1966, this house passed an act to authorize the payment of contributions by the government of Canada toward the costs of insured medical care services incurred by provinces under their own medical care plans. On July 1 the act took effect. It was a great milestone in Canadian history.

An earlier great milestone was the passing by this house of the Hospital Insurance and Diagnostic Services Act in April, 1957, and the amendment to it in June, 1968, that brought the act into force on July 1 of that year.

The intent and purpose of universal hospital and medical care plans is to provide full and equal access to the best possible health care for every citizen, regardless of his station in life, financial means, race, colour or creed, or his place of residence. They are a way of spreading the cost of health care over the entire population and removing the financial burden of hospital and doctor bills from the patient.

The great majority of citizens have decided through their democratically elected governments that they wish to pay in advance for their hospital and medical care, through yearly premiums, through income tax and sales tax, and other similar measures. Premiums are a fixed charge on every citizen. Most of the money that is raised by our governments is raised through income and sales taxes, which are based in some measure on one's ability to pay. This, then, brings me to the purpose of this resolution.

Experience has shown and is showing that some provinces are imposing additional charges that completely negate the intent and purpose of public hospital and medical care plans. The imposition of so-called deterrent fees, or utilization fees or co-insurance fees, as they are sometimes called, on a patient is in fact an extra tax on those who become sick or injured. This in fact means that people who have already paid for their hospitalization and doctor's care through their premiums and taxes are being taxed again, and must pay again as soon as they are sick. Such charges fly in the face of the intent of our national Medical Care Act and are perpetrated because of a loophole in the hospital insurance legislation. Section 4(1) (b) of the Medical Care Act says that medical services are to be provided for insured persons and that nothing, directly or indirectly, whether by charges or otherwise, shall impede or preclude an insured person from access to such services. Certainly, no co-insurance or deterrent fees are mentioned. In fact, the federal act discourages such charges which could have the effect of impeding reasonable access to insured services by insured persons, since their fees are not considered as a cost to be shared.

The government says in the act that the provincial plan must provide for the furnishing of insured services upon uniform terms and conditions to all in the province in accordance with the various tariffs, and so on, set out under the law. That service must be provided on a basis that provides for reasonable compensation for insured services to medical practitioners and—

> —that does not impede or preclude, either directly or indirectly whether by charges made to insured persons or otherwise, reasonable access to insured services by insured persons;

The effect of these kinds of charges must be to deny reasonable access to medical hospital services to the poor, the old, the very young and the low income people. This is happening in more than one province. In particular I speak of my own province, Saskatchewan. There it is possible to pay a $1.50 deterrent fee four or five times in a single day, since it is charged by each doctor the patient might see for the same illness. You could go to a general practitioner, and when you say you have a stomach ache he will charge you the deterrent fee and refer you to an internist, who will charge you a deterrent fee and turn you over to a radiologist, who will take an X-ray and charge you a deterrent fee and then refer you back to the general practitioner, who will prescribe medicine. At each step you will be charged a fee. Even though you have already paid for your medical care through your income tax, sales tax or other form of premium payment you will pay again if you are sick. In addition, the fee is charged for every single office and house call you make for the same illness or injury, no matter how often you must go to the doctor.

Cancer patients, particularly, are victimized because of the number of times they must visit their doctors, or the number of times the doctors must visit their homes. They are victimized also because of their

numerous hospital visits, which vary in length. Someone unfortunate enough to be ill with cancer has enough trouble, I submit, without being saddled with these various additional unfair and unjust costs. Someone sentenced to death by cancer and forced to lie for weeks or for months in a hospital bed should not, at such a time, be saddled with extra costs which an unconscionable government, either provincial or federal, has imposed on him.

• (5:10 p.m.)

The problem of deterrent fees imposed on treaty Indians is still not cleared up. It is quite clear that the department of Indian affairs and the federal government feel that the exaction of these fees would prevent Indians from receiving reasonable access to health treatment, and has decided to pay the fees on behalf of the treaty Indian people in Saskatchewan. But what about the Métis people, whose incomes are in many cases as low as, if not lower than those of the Indians? Is it not logical to suppose that these fees will affect them adversely, too? What about other classes of people with similarly low incomes? We hear it said that no one will be turned away. But anyone who goes to a hospital at ten o'clock at night in an emergency and does not have the required $25 deposit will not get in, and no bureaucrat will be able to convince me that anyone can get $25 from a social agency at that hour of the night.

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

Mr. Benjamin: I have only a few more minutes left and I should like to conclude. Perhaps the hon. member would ask his question when I am through.

The deterrent fee in connection with hospitalization is equally vicious. At $2.50 a day for the first 30 days and $1.50 a day for the next 60 days a total extra tax of $165 is imposed on a sick person who has the misfortune to be hospitalized for 90 days. The reason most often given to justify the imposition of deterrent or utilization fees is that they serve to curb abuses of the hospital and medical services. This is pure baloney. In fact it is no longer pure: It is old, it is bad, and it smells to high heaven. Abuses by whom? Where, when and how? Not the slightest evidence has ever been researched or presented to indicate that there is any significant amount of abuse. The infinitesimal number of people who might be considered hypochondriacs should not be deterred either, because they are sick, too, only in a different way. They need a doctor, just as someone with a real illness does. They particularly need a psychiatrist.

To suggest that deterrent fees will correct abuses of the use of hospital beds is to ask us to believe the unbelievable. No patient can admit himself to hospital or stay in hospital one day longer than his doctor says he can. If there are abuses in the use of hospital beds, charging a patient extra for something over which he has no control is both callous and unjust.

In the short time available to me I should like to call one witness—Dr. Neilson, head of the Ontario Hospital Services Commission. I quote from an article which appeared in the *Globe and Mail* on November 3, 1964.

> Frivolous use of hospital beds in this province is a minor problem. Criticism of such abuses has been exaggerated.

The report continues:

> Dr. Neilson went on to suggest to the hospital association members that where such abuse did exist it could be blamed on their failure to set up proper admission standards.

In 1961 the Hall commission was empowered by a Conservative government to recommend such measures, consistent with the constitutional division of legislative powers in Canada, as the commissioners believed would ensure that the best possible health care would be available to all Canadians. In its report the commission recommended, as a primary objective of national policy, a comprehensive, universal health services program to achieve the highest possible health standards for all our people.

The commission came out strongly against co-insurance or deterrent payments which, the report stated, would simply deter the poor and have no effect on the unnecessary demands of those in the middle and high income categories. Such a policy would mean that Canada was simply continuing to ration health services on the basis of ability to pay. This position was subsequently endorsed by the Canadian Welfare Council.

I submit that this principle was accepted by the federal government on the day in 1966 when the Medical Care Act was passed. The criteria then established included comprehensiveness of medical service, universal coverage, administration by a public authority and portability between provinces. The imposition of deterrent fees negates the principle that provincial plans must be universal—that the

provinces must make health services accessible to all without regard to financial circumstances. In giving effect to the medicare plan the federal government is rightly accepting responsibility to see to it that every citizen in Canada no matter where he might reside, will not be denied the basic right to reasonable access to hospital and medical care. According to the act of 1966, reasonable access means financial access.

Each province has a perfect right to establish whatever kind of hospital or medical care plan it wishes. But if a province chooses to implement a plan which is unfair or unjust to the consumer of those services, then that province should not be aided and abetted by the resources of the federal plan. The effect of this resolution, should it be agreed to by this house, would be to ask the federal government to consider making amendments to its legislation.

The result would be that the province of Saskatchewan, for example, would have to choose either to continue to collect $7 million dollars worth of blood money from the sick each year or to get $15 million from the federal government under the national medicare legislation. I hope hon. members will agree that these amendments to the federal legislation need to be made so that the unjust treatment of the sick, the poor, the young and the old, can no longer be meted out by provinces which wish to share in our federal plan.

Mr. Maurice Foster (Algoma): Mr. Speaker, this motion put forward by the hon. member for Regina Lake Centre (Mr. Benjamin) would have the effect of telling the provinces that they cannot impose utilization fees in respect of hospital and medical services and still expect to receive a contribution to their insurance funds from the federal government.

I suspect the hon. member's motion has been precipitated by the establishment of utilization fees during the past year in Saskatchewan, from which province the hon. member comes. Now that the fees are a fact of life in that province we have this motion before us in Ottawa for consideration.

We need to consider the motion in terms of what would be desirable for the country as a whole. In doing so we must realize that Canada is a diverse country with wealthy areas and poorer sections. If this motion were adopted we might be preventing some of the poorer provinces from establishing a medical care program; they might be able to afford to do so if utilization fees were permitted, but if they were prevented from charging such fees they might decide they could not go ahead with a provincial scheme.

Let us for a few minutes consider the history of hospital insurance. When the Hospital Insurance and Diagnostic Services Act was passed by parliament it was drafted in a form which included the necessary guarantees to ensure that services would be provided on a uniform basis to all residents and had regard for the fact that under our constitution hospital care comes within the sphere of provincial legislation. For this reason it was particularly important to respect existing practices as much as possible, provided these did not conflict with the basic purposes of the federal program.

• (5:20 p.m.)

The federal hospital insurance program was preceded by several provincially administered plans, notably the two programs in Saskatchewan and British Columbia. In Alberta too a program was in operation prior to the inception of the federal plan. At that time two of these three programs were providing insured services in hospitals subject to the payment of a modest utilization fee.

Therefore provision was made in the Hospital Insurance and Diagnostic Services Act for these so-called deterrent or utilization fees, which were described in the law as authorized charges. In order to sign an agreement under the act the provinces were required, in a schedule to the agreement, to set out the actual amounts of these authorized charges, thus enabling the federal government to be assured that the amount of the charges would remain at a nominal level.

Furthermore, in revising the formula on which the federal contribution is calculated, regard was had to the per capita amount of authorized charges in a province by reducing the federal contribution where such charges were levied.

In section 4(a) (ii) of the Hospital Insurance and Diagnostic Services Act it will be noted that the federal contribution, which in part is based on 25 per cent of the per capita cost of in-patient services in the province, is described as being "less the per capita amount of authorized charges in respect thereof." The effect of this provision is that provinces which impose authorized charges receive from the federal government, by way of a contribution, an amount which is less than that to which they would have been entitled had they not levied an authorized charge.

It is of interest to note that only two provinces and one of the territories made provision in their respective laws for authorized charges during the first decade of the program. Only in the last year has Saskatchewan also chosen to levy such a charge. In all circumstances, however, the charges are subject to the terms of the federal-provincial agreement, thus ensuring the maintenance of a reasonable level.

The situation with regard to the Medical Care Act is somewhat similar to that of hospital insurance in so far as the principle of provincial jurisdiction is concerned, and to the necessity of leaving to the provinces the right to operate their own programs in their own way as long as general principles are maintained. The general principles do not extend to the details of provincial financing, except in so far as ensuring that there are no financial obstacles imposed to insured services.

The Medical Care Act, unlike the Hospital Insurance and Diagnostic Services Act, does not envisage the use of the agreement mechanism, which had been a feature of shared cost health and welfare programs over a period of some years. Thus the federal government lacks the same opportunity, made possible through the hospital insurance agreements, to judge the level of authorized charges. In order to compensate for this lack, however, the Medical Care Act does require that insured services be provided to all residents upon uniform terms and conditions on a basis.

—that does not impede or preclude, either directly or indirectly whether by charges made to insured persons or otherwise reasonable access to insured services by insured persons.

The effect of this provision in section 4(1)(b) of the Medical Care Act is to permit the federal government to consider that one of the essential principles has been breached, in the event that a province should impose deterrent or co-insurance charges at a level which impedes access to insured services.

Furthermore the formula for the calculation of the per capita cost of insured services, as set out in section 5(2)(a), specifies that this shall be based on costs incurred by the province. If a co-insurance or deterrent charge is levied, the income from such charges is not considered to have been incurred by the province and therefore does not form a part of the amount on which the federal contribution is based. The effect of an authorized charge, therefore, both under the hospital insurance legislation and the medical care legislation is to make such a levy a disadvantage to the province in so far as the amount of the federal contribution is concerned.

As an ideal, Mr. Speaker, I believe we all like the idea of free medical and hospital care insurance programs, but we have to take the matter of human nature into consideration. It is not uncommon for people to go to a doctor even though they have nothing wrong with them.

Some hon. Members: Shame.

Mr. Foster: We have to consider the diverse nature of our country. We have a federal state because our country is so diverse. We make provision for the provinces to carry out the programs the best way they can within their jurisdiction. I believe this is primarily a provincial matter and that we should allow the provinces to decide how they will administer their respective programs, because it is constitutionally their responsibility.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I would like to make a few remarks on the motion of the hon. member for Regina-Lake Centre (Mr. Benjamin). We listened with a great deal of interest to the arguments he put forward, but I think we have to keep in mind certain other facts. There are facts on both sides of the coin. For instance we have seen Great Britain go full cycle. The medical authorities there are now imposing deterrent fees for drugs. So the problem of what is to be done about galloping hospital costs and medical care costs is not a closed book.

Any form of so-called free hospitalization or free medical care constitutes in effect an open ended program which can escalate very quickly without proper and necessary controls. It is a fact of life that where you have third parties who do the paying there does not appear to be the same concern about the costs of the plan involved. Previous to 1959 there was no so-called—and wrongly called—free hospitalization federally. The patient had a hospital pre-paid plan—Blue Cross or some other plan. There were certain checks on this, but the costs even then went up with those plans. Blue Cross was selective, as it operated on a group plan, mostly with payroll deductions.

With the advent of the Hospital Insurance and Diagnostic Services Act the costs began to skyrocket. In 1953, for instance, before the measure was enacted, the cost of active treatment hospitalization in Canada was $280.4 million, in mental hospitals it was $57.8 million and in the federal hospitals $36.4 million,

making total hospital costs of $404 million in that year. Then, in 1958, with the advent of the Hospital Insurance and Diagnostic Services Act, the active treatment hospitalization cost $422.9 million; mental treatment was $99 million and the t.b. hospital service $30.4 million. Federal hospitals cost $48.4 million, and the total hospital care across Canada cost $640.1 million.

• (5:30 p.m.)

In 1963 active treatment hospitals and diagnostic services cost $900.1 million, over three times more than in 1953. Mental treatment hospitalization cost $163 million, or a little less than three times more. Tuberculosis hospitalization treatment was less than it was ten years previously, falling back to $28.1 million. Federal hospitalization was $69.6 million, or just under twice as much. All hospital care was $1,154,100,000.

In 1965 hospitalization and diagnostic services had risen to $1,125,900,000, increasing at the rate of over $100 million per year. This is of concern to everyone in this house as well as to the federal and provincial governments and to the individuals who have to pay the premiums.

Physicians' fees rose from $176.6 million in 1953 to $545.1 million in 1965, and now in 1968 are estimated to be around $1 billion. This does not include dentistry which cost in 1965, the last year for which I have the figures, $160 million, nor does it include paramedical services such as osteopaths, chiropractors, optometrists and physiotherapists. Physiotherapists are now included in special cases, as are chiropractors, osteopaths and optometrists.

What is the reason for these escalating costs? First, there does not seem to be the same careful surveillance of accounts when third parties do the paying. The second reason is the over-utilization of beds which are for active treatment. Surgical wing operation costs far more than medical care operation. We are doing surgical work which was only dreamed of ten years ago, such as transplantation of organs such as kidneys and hearts, with the required operative teams, the elaborate scientific equipment and the intensive nursing care units. Probably in the next ten years we will be transplanting every organ with the exception of the brain.

Mr. Knowles (Winnipeg North Centre): There is hope for the Liberals yet.

[Mr. Rynard.]

Mr. Rynard: All this is tremendously expensive and greatly adds to hospital costs, but it is worth while and it saves lives. We are keeping people alive today who in 1953 would have died. It is true that we still have transplant rejections and this has to be overcome before the operation can be called anything but palliative.

From the medical point of view we are now keeping people living longer with the newer drugs developed since 1948, and every year we have added to our armamentarium. Actually, outside of anatomy and basic facts, 50 per cent of our medical knowledge has gone out the window in about eight years. This creates a problem in that we have continuously to re-educate not only the medical profession but we have continuously to train new teachers and do research to keep up with the vast amount of new knowledge. New ideas and new equipment to meet the discoveries and the new challenges are all tremendously costly. There must be no cutting of costs in this field.

Dr. E. J. Hinchey, F.R.C.S., a young Canadian surgeon, one of our bright young surgeons in Canada, and a graduate of Queen's University, said that our problem is that we are not spending enough on research, that we are not keeping up with the training of research teachers and that we should be spending ten times more on research than we are doing today.

There must be no cutting of costs in this field. This is a research oriented field. In the care of the chronically ill all of the scientifically equipped rooms are not necessary. Nursing skills are not as urgently needed and more nurses aides and other help could be used. Cheaper construction in all hospitals is a requirement. Some buildings are outdated before they are completed. The federal government should have something to say about the cost of the buildings. In 1958 the Conservative government doubled the amount of grants for the construction of hospitals. This government should have something to say about the millions of dollars which have gone for that purpose because this is a shared program.

It is true that the small grants which are made of $2,000 a bed, and so on, are minimal today. At that time, if I remember correctly, it cost about $7,000 a bed to build a hospital. Today the cost is close to $15,000 or $17,000 a bed, and no change in the grant. We can see how tremendously the costs have risen. We should seriously consider cutting down capital

construction to enable the building of hospitals for $8,000 or $9,000 a bed for those who do not require intensive care. Many patients require treatment with the newer drugs but they do not require oxygen masks on tents or intensive care units. We should cut those costs, as well as nursing care. Many of the chronic cases are kept in hospitals although they could be sent home, if they were provided with proper nursing care. This is a field which should be explored. Nurses aides could be trained to do this work very well.

The emergency departments in most hospitals today are overcrowded simply because we do not have enough doctors to go around. The reason for this is that there are not enough teachers, and medical schools are crowded and cannot take in more students to train as doctors. At present we are training about 900 doctors a year, we lose 200 to the United States and we bring in 600 from foreign countries. Most of them are not adequately trained according to our standards, and yet we allow them to practise, instead of building our schools and training our students from every area in our country. We would be getting much better medical care if we did this. However, we do not do it, and I was very annoyed to see the government was cutting back on some of the research grants, and that cutbacks are being made in the health resources fund. This is a backward step. We should be supporting the recommendations of the Hall commission report which made reference to the training of more and more doctors. We have fallen far short of the schedule laid down in that report, yet the government has seen fit to bring in medicare without the proper facilities and personnel to carry out the extra work.

• (5:40 p.m.)

Doctors are overworked because of an increased utilization of their services. Because of the increased number of people using emergency departments, hospital costs have increased. Many of these people could be treated in a doctor's office, but they are crowding into these emergency rooms. In large centres like Toronto these people might have to wait from one to four hours before they are seen. It is almost impossible in any major city in Canada for a patient to see a doctor after 6 p.m.

An hon. Member: Or on Saturday or Sunday.

Mr. Rynard: Unless you have your own doctor and he happens to be available you are almost always sent to the emergency department, where on many occasions you are admitted to the hospital. Many of these patients are seen by an intern who is not quite sure of his problem. All of us know there have been a number of cases where people have been sent home, and some have died. Had they been in the hospital with proper care and treatment some probably would not have died. This situation makes doctors a little leery. When they see a patient in the emergency department they will very often say: Well, he is here, perhaps I should admit him. Admissions are increased in this way because the doctors do not want to take a chance. The government has done little to correct this problem.

To recapitulate, approximately 900 doctors are graduated each year, but we are losing about 200 per year to the United States. These are the doctors who want research facilities and the opportunities to do research or teach. I refer to people like Dr. Hinchey who, as I have said, was a graduate from Queen's University. He is now gone to working on research at Royal Victoria hospital, Montreal. I sincerely hope he will stay in this country.

This summer when I was in New York I saw many doctors who graduated from Canadian universities. They are now on the staffs of United States hospitals and they are doing an excellent job.

This whole problem is like a two faced coin. Will such a deterrent help? We brought in medicare and everybody immediately said that we were going to get free hospitalization and free medicare. Did we do the wrong thing as parliamentarians and have we falsely represented this measure? Medical care and hospitalization are not free. There is nothing man-made in this world that is free.

Again I ask whether this deterrent would help. Perhaps better supervision and control of our spending problems would be of more use. Would proper control and better supervision of some of these plans cut down the cost? Would the use of more nurses aides in homes cut down the cost of some of this work? Are these things more important than a deterrent? There is a serious question in this regard, and yet there is a serious problem to solve, in costs.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question? In view of the excellent case he has made for increased money for research and for the great things that can be done in the field of

medicine, does he not feel that this should be paid for by all of us rather than by imposing the extra cost of deterrent fees on the people who have to take advantage of these services?

Mr. Rynard: Mr. Speaker, provincial governments must have something to say about this matter. Health comes under the jurisdiction of the provinces, but we must not stint on research or education in any way because they are the most important things. Many other things flow from these activities. If we will have more doctors, and more research they can earn millions of dollars which could easily be used as a substitute for the deterrent fee about which the hon. member is talking. I hope that answers the hon. member's question.

Mr. Knowles (Winnipeg North Centre): The hon. member is moving in the right direction.

• (5:50 p.m.)

[*Translation*]

Mr. J. A. Mongrain (Trois-Rivières): Mr. Speaker, it is often said, with regard to the business of the house, that we abuse the right to speak and that often, we use it for trifles. Many newspapermen poke fun at the house, saying that the members are not always serious in their interventions. I doubt that that can be said this evening about the debate on the notice of motion moved by the member for Regina-Lake Centre (Mr. Benjamin).

I listened with great interest to the speech of the member for Algoma (Mr. Foster), a new-comer to the house, who speaks like a conscientious researcher and whose arguments are indeed very serious.

The intervention of the member for Simcoe North (Mr. Rynard), as usual, is that of a practitioner who, obviously, has far more reference material than the average member, and we always follow with special interest the statements he presents calmly, sedately, just as a university professor would. We will undeniably be the richer for this debate.

Unless I am mistaken, the notice of motion of the member for Regina-Lake Centre stems from a deep concern for the welfare of the Canadian people. The honourable member certainly deserves congratulations, although the house would not be justified in legislating on all good causes. I feel that the possibilities for legislation in this house are limited by certain circumstances such as, for instance, constitutional matters or barriers, if you wish.

I should like to spend a few minutes—briefly, I am sorry to say—even though I respect the fundamental concern in this notice of motion, in demonstrating that this notice of motion is superfluous and even ill-advised, since it would encroach upon provincial jurisdictions; this cannot be accepted, and it would even run counter to certain well-known attitudes of his party. In addition, it bears the stamp of an excessive rigidity, which I would call "legislomania", if I may use that expression.

This notice of motion is useless, Mr. Speaker, as far as the federal government is concerned, if it tends to protect its own interests. In fact, I feel that the interests of the federal government are already protected by law, since the federal government contributes 50 per cent of the cost. If the provinces collect something else on what the federal government pays them, of course that will not justify the federal government to pay more than its share. That is why from the point of view of the provinces and certainly that of the federal government, that notice of motion is useless surely.

It is untimely, as I said earlier, because it constitutes inadmissible interference in the provincial field. Mr. Speaker, I believe that independently of everything that can happen in any of the provinces, it is unacceptable—and I will admit that the hon. member for Regina-Lake Centre who told us about what is going on in Saskatchewan certainly impressed most of us—to go beyond the limits imposed on us by the provincial jurisdictions.

The Hospital Insurance and Diagnostic Services Act and the Medical Care Act were drafted and passed after consultation with the provinces. Provinces are responsible for the administration of these various acts, but I think that the federal government would be ill-advised to overlook the limits of its jurisdiction.

The member for Regina-Lake Centre spoke about the situation in his province. For my part, I know that in the province of Quebec, a general outcry would be raised if the federal government would become so meticulous that it would provide in its legislation all specific cases which might raise differences of opinions and differences in the needs of the various provinces. I think that we should emphasize what the member for Algoma said: In an immense country such as ours, conditions are not the same in all ten provinces, and a province may wish to give particular characteristics to the agreement entered upon with the federal government as, maybe, is the case in Saskatchewan.

Perhaps this is the case of my own province which has not yet been caught up by medicare. Some may feel that the provincial treasury cannot for the time being absorb the whole cost of that legislation and that besides patients must pay part of the cost. Of course, there are two schools of thought in this connection, Mr. Chairman. Some people say that the health of Canadians is a human asset which should be the concern of every Canadian and that all citizens must contribute to its conservation, as they contribute to the preservation of our natural resources. This is a just and commendable idea, Mr. Chairman. Other provinces, however, express a different viewpoint and say that the paying potential of each individual and the taxing capacity of each province must be taken into account.

At any rate, Mr. Speaker, we have to recognize, in my opinion, that under such circumstances, in the majority of the provinces, such an interference, such a minute legislation on the part of the federal government, even though its motives and its concern were quite commendable, would be considered wrong and would not be accepted.

I would add, Mr. Speaker, that the notice of motion presented by the hon. member for Regina-Lake Centre surprises me. I will go back to my earlier remarks but I want first to suggest, in a very constructive manner, to the hon. member for Regina-Lake Centre, that he is knocking on the wrong door. Since his concern is commendable and acceptable, he should knock on the door of the provincial governments. There must be, in his own province, a number of people who share his political philosophy and if he were to knock on the door of his provincial government, he would probably have more chance to get quicker results with regard to his proposal to this house. He should perhaps get a little more active in the election campaign and, eventually, take office in his province, so that this legislation could be implemented. At any rate, in view of the fact that the New Democratic party is not very strong in our province of Quebec, we, the Liberals, shall try on the long run to bring our provincial government to reason with regard to national health.

Mr. Chairman, I am coming back to what I said earlier. I think that the notice of motion of our colleague is inconsistent with certain well-known views of his party. In the past, for example, I was one of those who knew quite well Mr. Robert Cliche, chief of the Quebec wing of the N.D.P. I am always very interested in his political activities and I have always had much respect for the former leader of the N.D.P., Mr. Tommy Douglas. I have heard his speeches for many years and I note that there is some misunderstanding. Mr. Cliche, for example, advocates the decentralization of administrations, especially in the health and welfare fields. If the federal government would bring out such a legislation asking the province not to charge any other fees, we would immediately hear the shrill protests of the leader of the Quebec wing of the N.D.P.

That might be sufficient to make him give up the leadership of the provincial New Democratic party, because, apparently, he has a tendency lately to lean towards the M.S.A., Mr. René Levesque's movement. In fact, if I were the chief of the New Democratic party, I would be concerned with his attitudes and I would make a point of inviting him to Ottawa for a talk, because he also has ambiguous attitudes.

While Mr. Tommy Douglas has told us many times, in public statements, that he wanted a strong federal government, and, in other occasions, that he was in favour of a special status for Quebec, he was torn between two worries: that of granting to Quebec powers that it does not already have, and of ensuring at the same time a strong government in a number of fields.

Therefore, I say there is a certain amount of confusion therein. I realize the hon. member for Regina-Lake Centre, who is new in the house, has not had like us the opportunity to analyse all the attitudes, all the positions taken by the leaders of his party, but my feeling is that his present notice of motion must sound false to those who have followed the course of events. In concluding Mr. Speaker I shall add that his notice of motion is far too rigid; I shall call this "legislomania". There are all kinds of manias. For instance, we have referred to Trudeaumania. Well, in this case it is Providence which wanted that state of mind to suddenly emerge in Canada—

Some hon. Members: Oh, oh.

Mr. Mongrain: —in 1968, a state of mind which seems to bring about an improvement in the physical and mental health of some people. You only have to look at the faces of those who sit on the front benches of the opposition in this house. It is a happy state of mind and nobody died as a result. On the contrary, everyone felt stimulated to act constructively.

But, Mr. Speaker, "legislomania" or our mania of legislating on a lot of small details in order to improve the administration of legislation in this country will, in the end, pester everybody and limit everyone's activity, particularly that of the provincial and municipal governments, thus doing more harm than good. There must be, somewhere, a little latitude left to provincial governments, municipalities and private enterprises.

Therefore, Mr. Speaker, my conclusion is that the notice of motion of the hon. member for Regina-Lake Centre, even though its intent is worthy of praise, is not acceptable because it is not necessary. It represents an incursion in the provincial jurisdiction, which is incompatible with certain positions taken by the leaders of the member's party. Furthermore, it is excessively strict—

Mr. Deputy Speaker: Order. The hour appointed for consideration of private members' business has now expired.

[*English*]

BUSINESS OF THE HOUSE

Mr. Aiken: Mr. Speaker, I wonder whether the house leader would indicate the business for tomorrow.

Mr. Macdonald (Rosedale): Mr. Speaker, we will continue to completion, I hope, the committee stage of the bill with regard to the Farm Improvement Loans Act, thereafter we will call second reading of the bill to amend the Farm Credit Act and carry that through second reading and committee stages.

At six o'clock the house adjourned, without question put, pursuant to standing order.

APPENDIX "A"

HOUSE OF COMMONS—UNVEILING OF PORTRAIT OF FORMER PRIME MINISTER

Mr. Speaker: Mr. Prime Minister, Mr. Stanfield and colleagues, Mr. Speaker Deschatelets, honoured guests, members of parliament, members of the Senate, ladies and gentlemen: On behalf of the members of the House of Commons, and if my colleague Mr. Speaker Deschatelets, will allow me, on behalf of our colleagues in the Senate, I welcome you to this important and historic occasion. I extend particularly warm greetings to one whose portrait we will not unveil today, but who in my view is equally deserving of this recognition, namely Mrs. Diefenbaker.

We are very pleased to have with us today Mr. Horne, the renowned Canadian artist who has produced what is said to be a very fine portrait. Together with Mr. and Mrs. Diefenbaker we are all of course gratified that so many of their close personal friends have found it possible to be here with us today to share the honour bestowed on the former prime minister by the government and by the parliament of our country.

[*Translation*]

Ladies and gentlemen, it is fitting that this ceremony should be held on the very threshold of the House of Commons, where the Right Honourable John Diefenbaker gave his best to his country.

The portrait to be unveiled presently will be a special reminder of the notable contribution of a former prime minister to the Canadian parliament during more than a quarter of a century.

The parliamentary colleagues of Mr. Diefenbaker, those of yesterday as well as those of today, unite in congratulating him and in wishing him many more years of distinguished labour in the service of Canada.

[*English*]

I now invite the Hon. Mr. Stanfield to say a word.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, Mr. Prime Minister and Mrs. Diefenbaker: This is a gathering, of course, in honour of a prime minister of Canada, but if we were gathered today in another gallery to honour the relatively small number of Canadians who have worked effectively and with statesmanship in order to strengthen parliament, we would still be gathering today to honour Mr. John Diefenbaker. If I have one regret concerning you, Mr. Diefenbaker, and perhaps I may be permitted one regret in this connection, it is that your career before you became prime minister, before you became party leader, as a member of parliament and as a fighter for civil liberties, is relatively unknown to a whole generation of younger Canadians. This is their loss because it makes them far less familiar than they ought to be with a great chapter in the fight for the enlargement of liberty and freedom in our country.

Mr. Diefenbaker's public career is one of contrasts. On the one hand, as party leader and prime minister of the country he has changed the nature of politics, indeed the nature of our country, whereas on the other hand in his capacity as a member of parliament he has fought long and constantly to preserve the old and best traditions of parliamentary life in our country. So, in the name of your friends and admirers, Mr. Diefenbaker, I salute you today; I salute you as a member of parliament, as a leader of an important party, the leader of the opposition, as a great prime minister of Canada; a man who in all those capacities has left an indelible mark upon the history of our country.

Mr. Speaker: The Prime Minister.

Right Hon. P.-E. Trudeau (Prime Minister): The Right Hon. Mr. Diefenbaker, Mrs. Diefenbaker, distinguished guests, ladies and gentlemen: Just a few days ago in Regina I had the pleasure of visiting the buildings that had been the homestead of the Diefenbaker family. I thought that Canadians in general, and students of history in particular, would be grateful to the government for having preserved these buildings and having permitted the people to visit them in such a convenient fashion. As I looked at the buildings, I was impressed perhaps most by their very unimpressiveness. This, none the less, represents the very central aspect of life in Canada. They are the kind of buildings that remind us of the qualities developed in Canadians who were brought up in them, qualities of

strength, self-sufficiency and great independence of character. It takes a lot of imagination to think that one who had begun in such a homestead was to become the prime minister of Canada. The long road from those buildings to 24 Sussex street tells us a great deal about the man who walked that road, and about the kind of country in which he lives.

I don't think we are able to say that our country provides equality for all, but a look at the history of those small buildings and their inhabitants makes us realize that our country is one that does provide equality of opportunity. It is a great thing to think of our country as one which can permit a man to come from such humble origins and to reach the highest elected office in our land. I know, Mr. Diefenbaker, that this portrait will be hung in a gallery along with the portraits of other men who perhaps began a rung or two higher on the economic ladder. I think your presence here, and the presence of your portrait amongst those others says a great deal not only about our country but about your great strength of character and your contribution to the history of this country.

[*Translation*]

I should like to say that, a long time ago, I heard Mr. Diefenbaker speak. Even at the time when I left university he could be identified with the struggle for the little people, for the humble people, for those who were in need of protection against the authorities.

Later, he brought that reputation to parliament. He identified himself with the Bill of Rights and, throughout his whole career in parliament, he distinguished himself through his constant struggle for the rights of the individual and the protection of minorities.

[*English*]

I will have to leave to others, sir, the privilege of talking about you as leader of a party and of a government, but I am qualified I think, to talk about you as a parliamentarian. I have had the privilege for the past few weeks of sitting across the aisle from you in the house, and I can testify to your great skill in that role. I sometimes wish that equality of opportunity would incite you, sir, to make sure that more ministers than myself learn by experience of your skills.

However, I do want to say that today is an important occasion. The rest of us here—Mr. Stanfield, Mr. Lewis and Mr. Caouette—are here as representatives of our parties and the people of Canada. Mr. Diefenbaker is here as a great Canadian. He is here as one who has contributed in a lasting way to our history, and it is in this capacity that we are privileged to honour him today.

Some hon. Members: Hear, hear.

Mr. Speaker: On behalf of the House of Commons, the Senate and the parliament of Canada it is an honour and a privilege for me to accept the gift of this portrait to parliament from the government of Canada.

I now invite Mr. Diefenbaker to say a few words.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, Mr. Prime Minister, Mr. Lewis, Mr. Caouette and my leader, the leader of Her Majesty's Loyal Opposition: I am deeply touched by what has been said here today. It makes parliament what it is. To the Prime Minister may I say I was greatly taken by your observations when you were in Regina and visited my parents' humble home. I think it was an aphorism which will last for a long time. It was spontaneous, courteous, and humorous: "Sometimes when he is in the House I wish he were living here".

However, I want to tell the Prime Minister that from now on until further notice I am going to be the soul of moderation and I am going to await the arrival of the several ministers in absentia. I will do all this with that customary moderation that I always endeavour to display, but in greater form than heretofore, until I give further notice.

After the kind words that have been spoken here I think of the fact that in the years ahead each of those who has been prime minister will have a monument on parliament hill.

The Prime Minister mentioned my boyhood home. My father was a teacher who, in his day and generation, taught two who eventually became Prime Ministers of Canada, the Right Hon. Mackenzie King and me. History will tell in which case he did the worst job!

I think of the unveilings which will take place in the years ahead, and if the spirit that is present here today becomes translated into sculpture I can see the Prime Minister and me arm in arm with Lafontaine and Baldwin on parliament hill.

I understood originally that the Right Hon. Lester B. Pearson was also to be present on this occasion but circumstances have prevented his being here. Perhaps it would have been better if he had been here, since it may well be that the words of Benjamin Franklin uttered in 1775 may apply, where he said. "If

you do not hang together you will hang separately".

The present occasion, for one in my position, is a touching experience. In the spirit of the occasion we see a manifestation of the spirit of parliament. Those who know not parliament do not realize that in the cross-fire of daily parliamentary life we, and I am speaking for all of us, form an immense admiration for those who sit opposite us. We may disagree on the course that should be followed; our views on many matters may differ, yet there is one matter on which we all agree: There is no institution to compare with parliament for the preservation of values and truth.

It is not for me to judge the quality of Mr. Horne's portrait or to offer my opinion about it. I may say that, considering the subject matter the artist had available to him, he did a magnificent job. I thank the Prime Minister for his courtesy. It may be appropriate to say that perhaps some measure of masculine pulchritude made it possible for the placing of my portrait here. The efforts of those who in the past produced portraits, drawings and caricatures of me will be obliterated by the realistic skills that Mr. Horne has brought to bear in producing the portrait that is before us.

Parliament is the place where we form deep and abiding affections for those who sit opposite us. We know the contribution they are making and the responsibilities they bear. I want to say to you, Mr. Prime Minister, that though you, who in common with 14 other men who have been termed prime minister of Canada, are adept at asking questions, in the last few weeks you have shown an adeptness at answering them that does honour to you, and perhaps not so much to those of us who have put the questions.

I wish to thank all who are present here, our leader for his kind words and Mr. Speaker for that capacity which he possesses in such abounding measure—his kindliness and courtesy. To you again, Mr. Prime Minister, from the bottom of my heart, I express my appreciation.

After all, we are here for one purpose, whether we were raised in humbleness, or in circumstances which no one could expect would lead to the highest office of state. Whatever our background, to sum up the situation in a way which appeals to me, each of us in this country without regard to race, religion or colour, has an opportunity for service. It is up to us in our day and generation to play our part in bringing about a greater, more wonderful Canada such, as in our imagination, we can see today.

[*Translation*]

Mr. Speaker, allow me to thank you for your cordial welcome.

[*English*]

Mr. Speaker: Before closing, ladies and gentlemen, may I transmit to you the regrets which were sent to me earlier by the Right Hon. Lester B. Pearson that he could not be here today because of a long-standing invitation to address the Canadian club in Toronto. It will be his turn to be honoured very soon; we hope this ceremony will be held next week, but you will be advised in advance.

I take the opportunity to extend an invitation to my colleagues; I hope to see them in the railway committee room at seven o'clock, when we have another important function to perform.

HOUSE OF COMMONS

Thursday, October 10, 1968

The house met at 2.30 p.m.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF GROUP OF GERMAN PARLIAMENTARIANS

Mr. Speaker: May I bring to the attention of hon. members the presence in the Speaker's gallery of a most welcome visitor to Canada, Herr Eugen Gerstenmaier, president of the Bundestag.

Some hon. Members: Hear, hear.

Mr. Speaker: The president is accompanied by a distinguished delegation of German parliamentarians, and I should like to salute them as well.

Some hon. Members: Hear, hear.

Mr. Speaker: This visit gives us an opportunity to reciprocate, even if only in a very limited way, the generous hospitality extended to many Canadian government and parliamentary delegations to Germany during the last few years.

[*Translation*]

The Canadian members of parliament are indeed gratified and happy to welcome our distinguished parliamentary colleagues from Germany. Their visit gives us the opportunity to bring back to mind the considerable contribution of Canadians of German origin to all aspects of our national life. We therefore extend the heartiest welcome to you, Mr. President Gerstenmaier, and to your distinguished colleagues.

[*English*]

It is our hope that your stay in Canada will be interesting, pleasant and fruitful and that it will contribute to the strengthening of bonds of friendship between the peoples of Canada and of Germany.

THE LATE ARIEH ESHEL

EXPRESSIONS OF REGRET ON DEATH OF ISRAELI AMBASSADOR

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, it is with deep regret that I draw to the attention of the house the passing away last evening of the Israeli ambassador to Canada, Mr. Arieh Eshel. I know that all members of the house will wish to join in conveying our sympathy and regret to Mrs. Eshel and the immediate family at their grievous loss, and to the government and people of Israel. Mr. Eshel was a devoted servant of his country who had held three ambassadorial postings in this hemisphere—in Uruguay, Brazil and New York—before coming here. His time with us has unhappily been cut short, but we shall long remember his vivacity, warmth and dedication. As a mark of respect the flag on the Peace Tower is being flown at half mast today and will remain at half mast tomorrow.

• (2:40 p.m.)

Mr. G. W. Baldwin (Peace River): May I on behalf of members of this party join with the Prime Minister in expressing our regret and sense of sorrow over the sudden loss to the people of Israel. The great record of public service of Mr. Eshel which made him so effective in this country in facilitating the relations between our peoples will long be remembered, and we feel a deep sense of sadness at his passing.

Mr. David Lewis (York South): I wish to join with the Prime Minister in expressing the deep regret of my hon. friends and myself over the sudden death of Mr. Eshel. Like other members of this house I had the pleasure of meeting the Israeli ambassador during his short stay in this country, and I was impressed by his devotion to the cause of his people and to the cause of peace in the world. My hon. friends and I extend our condolences to Mrs. Eshel, who in her own right has served her country in many parts of the world, particularly at the United Nations, and to their children and the people of Israel at their loss.

EXTERNAL AFFAIRS

TABLING OF SPEECH AT UN BY EXTERNAL AFFAIRS MINISTER

Hon. Mitchell Sharp (Secretary of State for External Affairs): I should like to table in

English and in French copies of the text of the speech I made yesterday during the general debate in the United Nations Assembly.

Mr. Speaker: Has the minister leave to table the documents to which he has referred?

Some hon. Members: Agreed.

Mr. David Lewis (York South): Before we leave this order of business may I say one word. I had hoped the Secretary of State for External Affairs was about to make a statement to the house on his visit to New York, and particularly on his discussions concerning Nigeria and Biafra. I wonder whether the minister would consider doing so now.

Mr. Sharp: I have been asked to appear before the committee which has been charged with consideration of this subject, and I have a statement ready to make on that occasion.

Mr. W. B. Nesbitt (Oxford): On a point of order, I wonder whether the house would consent to having the minister's statement printed as an appendix to *Hansard* today so we might all have a chance to see it.

Mr. Speaker: Is it agreed that the state- to be made by the minister today at a later hour be appended to *Hansard*?

Some hon. Members: No.

Mr. Nesbitt: Your Honour has misunderstood me. I was referring to the minister's speech at the United Nations.

Mr. Speaker: Is this agreeable?

Some hon. Members: Agreed.

[*Editor's Note: For text of document above referred to, see appendix.*]

CANADIAN OVERSEAS TELECOMMUNICATION CORPORATION ACT

AMENDMENTS RESPECTING DEFINITIONS, LIMITATION OF POWERS, ETC.

Hon. Jack Davis (for the Postmaster General) moved the first reading of Bill No. S-5 (from the Senate), to amend the Canadian Overseas Telecommunication Corporation Act.

Motion agreed to and bill read the first time.

[Mr. Sharp.]

[*Translation*]

LABOUR CONDITIONS

EASTERN TOWNSHIPS, QUE.—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Mr. Henri Latulippe (Compton): Mr. Speaker, I rise on a question of privilege, to discuss a specific matter of pressing public importance.

I ask leave to propose the adjournment of the house because I consider the economic situation in the eastern townships to be of public importance. According to a letter I received from the municipal council of the town of Coaticook and several other associations concerning the economic situation of that town, an industry now giving employment to 225 people is due to close down early in 1969. Of course, pressures are being brought to bear with regard to the fate of that industry. We are asked to make the necessary interventions with the government authorities, with a view to solving the confused economic situation of the small town of Coaticook. It has a population of 7,000 and 225 family heads work for that small industry which is to close down; the consequences would be disastrous for that municipality, which needs all its industries and labour.

At the same time, I speak on behalf of the whole area of the eastern townships with regard to the strike at the Domtar company which started on July 18, 1968, and which affects the municipalities of East Angus and Windsor Mills. At East Angus, the industry employs 440 people and 760 at Windsor Mills. The Domtar employees in East Angus and Windsor Mills have lost, up to now in salaries about $1,625,000.

Mr. Speaker: I am very sorry to interrupt the honourable member for Compton. As he knows, according to the rules, he must indicate to the Chair and to his colleagues what specific motion he intends to move with regard to the adjournment of the house.

Mr. Latulippe: Mr. Speaker, I move seconded by the hon. member for Richmond (Mr. Beaudoin):

That the house do now adjourn its proceedings to discuss an urgent and pressing matter, namely the economic situation in the eastern townships.

Mr. Speaker: Order. I would not want to be unfair to the honourable member who has just moved a motion of adjournment, but he knows that under paragraph 7 of citation No. 100 of Beauchesne's *Parliamentary Rules and Forms*, 4th edition, a motion of this kind

is subject to certain precisions, and I wonder if the honourable member would like to indicate to what extent, in his opinion, there is urgency of debate.

Mr. Latulippe: Mr. Speaker, I am happy to tell the house how the citizens of the eastern townships feel about the urgency of the debate.

I have here a letter from the secretary treasurer of the municipality of Coaticook and I would like to read some parts of it:

In the absence of Mr. Dumont who is at home sick, I have been instructed by the council to send you a copy of a letter addressed to the Department of Industry, Trade and Commerce in Ottawa about the shutdown of the Penmans Ltd. plant in Coaticook which leaves 225 heads of families out of work—

Mr. Speaker: The hon. member must give as briefly as possible his arguments in favour of having a debate today instead of later this week or even next week. It is on that particular point that his remarks must bear at this time.

• (2:50 p.m.)

Mr. Latulippe: Mr. Speaker, I have many other arguments. For instance, the newspaper *La Tribune* in the eastern townships published a score of articles on that subject. In fact, they were published in the following issues: Monday, September 16, page 16; Wednesday, September 18, page 20, Thursday, September 19, pages 1 and 9, Friday, September 20, pages 1 and 2, Thursday, September 26, page 2; Tuesday, October 1, page 2, Wednesday, October 2, page 2, Thursday, October 3, pages 2 and 7, Saturday, October 5, page 4, and Tuesday, October 8, page 5.

At this point, I want to quote that of September 20—

Mr. Speaker: I must interrupt the hon. member and remind him once again that he must, immediately and as briefly as possible, point out to the Chair why he believes that a debate must be held today, and why we should adjourn the business of the house this very day for the purpose of discussing the situation he has just drawn to our attention.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, it would take too long to describe to the house in detail at this time the situation in the eastern townships. It has been described in all the newspapers of the area and it prevails not only in the town of Coaticook, but in East Angus, Windsor Millet and many other towns in the eastern townships.

We are raising the question because the problem is not a local one concerning one municipality, but a general one concerning the economy of the whole area. That is why we are asking for an adjournment of the business of the house in order to allow us to give details to the hon. members.

Mr. Speaker: Having listened to the hon. member for Compton and to the arguments which the hon. member for Shefford has just submitted I think I am now ready to make a ruling on this motion.

I must remind the hon. members of the provisions of citation 100 (8) of Beauchesne's *Parliamentary Rules and Forms* and I quote:

I do not think that, under the standing orders of 1882, a motion or a subject of this kind, having such a wide scope, was ever contemplated. What I think was contemplated, was an occurrence of some sudden emergency—

The hon. member would like us to adjourn in order to consider a situation which in his own terms has been going on for some time. The hon. member for Shefford referred to a general crisis rather than to a specific problem. Under the circumstances, I regretfully believe that it is not possible to accept the motion of the hon. member for Compton. Besides, I know that during the next few days, there will be some general debates in this house and the hon. members for Compton and Shefford will have the opportunity to let us know their views on this important problem.

[*English*]

EXTERNAL AID

NIGERIA—PROVISION OF CANADIAN HERCULES AIRCRAFT

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I preface my question to the Secretary of State for External Affairs by welcoming him back to the house. We are not only pleased because of his presence here but because we have been concerned about the Prime Minister, who has been labouring with unnecessary burdens during the question period in the last few days.

Would the minister please tell the house when he expects the first Hercules aircraft to be loaned to the Red Cross to leave for Nigeria, specifically Fernando Po and Sao Tome?

Inquiries of the Ministry

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we hope the Canadian Hercules aircraft will be on the way to Nigeria within 48 hours with a reconnaissance party to survey the conditions of air strips in federal and rebel held areas in Nigeria as well as Fernando Po. A second aircraft is to be placed on standby for possible early departure.

Mr. David Lewis (York South): Mr. Speaker, will the Secretary of State for External Affairs tell the house the reasons for the delay in dispatching aircraft with supplies, and tell us what the need is for reconnaissance which he suggested would be the first job done by the Hercules?

Mr. Sharp: Mr. Speaker, I have no doubt that the Hercules will be very valuable in the movement of supplies. It is not the lack of food in the area that is important at this time, it is the lack of transportation. The aircraft is going to be there for service, and it will be understood by hon. members that this type of aircraft is of a special kind. It is most important, if we are to make the best use of it, to know the exact conditions under which it will be operating. There is no question, however, about its operation as such.

Mr. Lewis: I should like to ask the minister whether any conditions were imposed by the Nigerian authorities as to where the planes are to fly from and where they are to land. Are they to be flown by day or by night or both?

Mr. Sharp: Mr. Speaker, there is only one general condition, and that is that an arrangement must be made between the international committee of the Red Cross and the government of Nigeria.

Mr. J. M. Forrestall (Dartmouth-Halifax): Will the minister indicate whether the Hercules or other types of aircraft will be offered to relief groups other than the International Red Cross?

Mr. Sharp: Mr. Speaker, the general understanding with most governments is that it is preferable to channel all our relief through the International Red Cross. That is the accepted international practice.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to direct a question to the honourable Secretary of State for External Affairs.

[Mr. Baldwin.]

While the honourable minister was at the United Nations in New York, did he get in touch with representatives of the United Nations or certain African countries, in order to obtain, through pressure or otherwise, a cease-fire between Nigeria and Biafra?

[*English*]

Mr. Sharp: Mr. Speaker, this is the kind of question which I think would be better answered before the committee. I am sure it will be asked there, and I think it deserves a longer answer than Your Honour would permit at this time.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, will the minister advise this house as to the number of aircraft that will be placed at the disposal of the International Red Cross and/or other relief agencies?

Mr. Sharp: Mr. Speaker, the government has not yet made a decision, but there will be at least two.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I should like to ask a supplementary question.

In a statement on the troubles in Biafra, the Secretary of State for External Affairs reaffirmed that Canada would support Nigeria against the secessionist rebels. Could the Prime Minister tell us if the policy of his government is the same as that of his minister, namely to keep on murdering Biafrans, or if it consists in helping Biafrans to free themselves from federal Nigerian troops.

[*English*]

Mr. Sharp: Mr. Speaker, I think that question illustrates one of the most important reasons why we do not want to get mixed up in the politics of Nigeria.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, in view of the fact that the former prime minister indicated that the relief to be provided by Canada will be of limited assistance, will the minister seriously consider the provision of more aircraft for relief purposes?

Mr. Sharp: Mr. Speaker, as will appear, I hope, in the committee, the greatest problem of relief remains; because the most serious conditions are going to arise in the future rather than now, and I believe this country and the international community as a whole are going to be engaged in one of the most important relief operations the world has ever seen.

Mr. Walter C. Carter (St. John's West): Mr. Speaker, will the minister please tell the house if food presently to be loaded on ships in Halifax will be sent to Nigeria-Biafra by plane before October 13?

Mr. Sharp: Mr. Speaker, this shipment has been co-ordinated with the International Red Cross. The food is being shipped at the time most suitable to the International Red Cross, by sea. It is not necessary to move it by air.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my supplementary question concerns the transport to Biafra of relief supplies. Is it the intention of the government to provide helicopters as well, since the problem seems to be one of distribution in Biafra and not just delivery?

Mr. Sharp: Mr. Speaker, the particular request we have had from the International Red Cross has been for Hercules planes. That seems to be the aircraft that we in Canada can best supply.

INDUSTRY

AUTOMOBILES—REPORTED RECALL BY FORD COMPANY IN U.S.

On the orders of the day:

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question I would like to direct to the Minister of Transport. Having in mind the fact reported this week that some 14,000 Mustang and Cougar motor cars have been recalled by the Ford Motor Company in the United States, would the minister ask his department to look into the situation as it affects Canada and make an early report to the house on the matter?

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, I will be glad to make the necessary inquiries.

[*Translation*]

TEXTILES—REQUEST FOR ASSISTANCE IN EASTERN TOWNSHIPS, QUE.

On the orders of the day:

Mr. André Fortin (Lotbinière): Mr. Speaker, I wanted to put my question to the honourable Minister of Industry, Trade and Commerce, who is a member from the eastern townships, but in view of his absence, I shall direct it to his parliamentary secretary.

I should like to know whether the present government intends to introduce, in the near future, legislation to stimulate and help the textile industry in the eastern townships, since it has now reached a point where it is losing rather than gaining ground.

Mr. Speaker: It seems to me an identical question was put yesterday.

PORTNEUF, QUE.—BRIEF FROM ECONOMIC COUNCIL

On the orders of the day:

Mr. Roland Godin (Portneuf): Mr. Speaker, my question is directed to the Minister of Forestry and Rural Development.

Has the minister studied the brief submitted by the Economic Council of Portneuf concerning the economic situation in that area? If so, is he in a position to let us know the decision of his department?

Hon. Jean Marchand (Minister of Forestry and Rural Development): Mr. Speaker, I study all the briefs sent to me, including that one.

[*English*]

HOUSING

INQUIRY AS TO PROVISION OF ADDITIONAL MONEY

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I should like to ask the question of the Minister of Transport in his capacity as the minister responsible for housing. I have had an opportunity to give the minister notice of this question. Will the minister tell the house whether any part of the $170 million to be made available to Central Mortgage and Housing Corporation, as announced by the minister last Friday in this house, represents any additional money to be provided by C.M.H.C. for overall housing starts this year?

Mr. Speaker: Order, please. It seems to me, again, that this question was asked yesterday.

Mr. Nesbitt: Mr. Speaker, I very carefully checked this matter, and I believe the question was not raised yesterday in this exact form.

Hon. Paul Hellyer (Minister of Transport): Mr. Speaker, it does not represent an increase in the capital budget, but it does represent an increase in the expenditure for the present year over what had been planned before.

Inquiries of the Ministry

TRADE

EFFECT OF U.S. REJECTION OF ANTI-DUMPING PROVISIONS

On the orders of the day:

Mr. Max Saltsman (Waterloo): Mr. Speaker, I would like to direct my question to the Minister of Finance. I ask the minister whether the rejection by the United States Senate of the anti-dumping provisions in connection with the Kennedy round on the general agreement on trade and tariffs will affect the Canadian government's position; and if so, will changes be made?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would like to take this question as notice.

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a supplementary question for the Minister of Finance. Would the minister do everything in his power to have the white paper on the Kennedy round anti-dumping legislation referred to the standing committee?

Mr. Benson: Mr. Speaker, there have already been discussions with the house leader of the hon. member's party. We would be very willing to have this matter referred to the committee immediately, without debate, after orders of the day today.

TRANSPORT

REQUEST FOR REFERENCE TO COMMITTEE OF COMMISSION REPORT

On the orders of the day:

Mr. James A. McGrath (St. John's East): Mr. Speaker, I had a question for the Minister of Transport but in his absence I direct it to the acting minister. Would the government give consideration to referring the report of the Canadian Transport Commission to the standing committee on transport and communications?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I wonder whether it would be asking too much of the hon. member to be present to ask his question the next time the Minister of Transport is here to answer questions.

Mr. Speaker: The hon. member for Grey-Simcoe.

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I had a question for the Minister of Transport but I see he has left the chamber. Therefore I will keep my question until tomorrow.

[Mr. Hellyer.]

[*Translation*]

CANADIAN CONSTITUTION

CONSIDERATION OF BRIEF PREPARED BY QUEBEC

On the orders of the day:

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a question to the right honourable Prime Minister.

Can he make a statement to the house today with regard to the study he has made of the brief prepared by Quebec officials for the federal-provincial conference next December concerning the Quebec republic?

Right Hon. P.-E. Trudeau (Prime Minister): Yes, Mr. Speaker, I have read the brief.

[*English*]

WATER RESOURCES

REQUEST FOR POLICY STATEMENT ON EXPORTS TO U.S.

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I had a question for the Minister of Energy, Mines and Resources, but in his absence I will direct it to the Prime Minister. Has the government changed its policy with regard to the export of water to the United States?

Mr. Speaker: Order, please. This is a very general question and I doubt that it should be asked at this time.

Mr. Aiken: Mr. Speaker, it is a question of urgency because a rumour exists that there has been a change. I think it is important that we find out.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, implied in this question is the suggestion that there has been a change in government policy in respect of the export of water for sale to the United States. I want to assure the hon. member that there has been no such change. There is intensive study in the Department of Energy, Mines and Resources and other departments in respect of the present requirements of Canada for Canadian water and the projection of requirements in the future. Until these studies are completed there will be no question of the consideration of exporting water for sale.

INQUIRY AS TO LEGISLATION RESPECTING POLLUTION

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. As the report of the science

council stresses the great urgency of introducing legislation to deal with water pollution without further delay, is the government planning to introduce such legislation in the very near future?

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

Mr. Hees: Mr. Speaker, as this is a matter of great importance, would the leader of the just society hurry up the minister who is responsible so we can have this dealt with very quickly?

Mr. Speaker: Order, please.

FISHERIES

BRITISH COLUMBIA—ISSUE OF NEW SALMON FISHING LICENCES

On the orders of the day:

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Fisheries relating to the new regulations he has announced to control the size of the British Columbia salmon fishing fleet. The program as announced sets a top limit on the number of fishing vessels that may engage in the industry, and since objections have been raised about these new regulations, what steps does the minister propose taking to ensure that there will be no discrimination in the issuing of new licences?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, the licences are those of existing boats. The boats can be traded, they can be bought or sold by anyone. There is no limitation as to the number of fishermen; we have simply set a maximum on the number of fishing vessels on the west coast engaged in catching salmon.

Mr. Crouse: Mr. Speaker, if a licensed salmon fishing boat is burned or lost at sea, will a licence be granted to the new, replacement ship?

Mr. Davis: Mr. Speaker, there will be no automatic granting of a licence. That particular vessel will be struck from the registry. An appeal committee has been set up to which the unfortunate owner can apply, and depending on the circumstances he may or may not obtain a new licence.

Mr. Frank Howard (Skeena): Mr. Speaker, I have a supplementary question for the Minister of Fisheries. A few days ago I asked the minister whether he would be prepared to take the initiative in referring these proposed new regulations to the committee on fisheries when it was established. Inasmuch as the membership of that committee was announced the other day, can the minister say when he will have on the order paper a motion to refer this matter to the committee for study?

Mr. Davis: Soon, I hope, Mr. Speaker. This is a new system; it is a world first. There are probably a few wrinkles which need to be ironed out, hence I will be only too happy to see it referred to the committee and hear positive suggestions on how to improve the system.

Mr. Howard (Skeena): Could the minister say when this might be?

Mr. Davis: As soon as possible, Mr. Speaker.

INDUSTRY

CAPE BRETON—REQUEST FOR RELEASE OF DEVCO REPORT

On the orders of the day:

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a question for the Prime Minister. In view of the importance to the people of Cape Breton of the Cape Breton Development Corporation and its policies, would the Prime Minister release the latest report so as to put an end to the persistent and disturbing rumours?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I believe this question was asked yesterday of the minister.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, on a point of order; not only does the Prime Minister fail to get the import of the question, he fails to recognize the fact that this question was not answered. I ask him as head of the government to recognize the importance of the report of this crown company and of its policies for the future having regard for the fact that it was set up to help displaced miners. Since this government set up the crown corporation, 400 or 500 jobs have disappeared. Does he not consider it is time the report was released?

Mr. Speaker: Order, please. This is hardly a point of order. The hon. member is making an argument in support of the suggestion that the report be released. It is an argument, not a point of order.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a supplementary question.

Inquiries of the Ministry

Mr. Speaker: Order, please. It would have to be a new question. I will recognize the hon. member.

Mr. MacInnis (Cape Breton-East Richmond): Would the Prime Minister consider releasing that portion of the report which deals with No. 20 colliery?

Mr. Trudeau: I would be glad to consider it, Mr. Speaker.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I think I can raise a legitimate point of order regarding the conduct of the government. It deals with the schedule released by the Prime Minister in respect of the attendance of ministers in the house. I wonder whether the ministers have received permission to exchange days, as did the Minister of Forestry and Rural Development with the Minister of Transport in exchanging Monday for Friday.

Mr. Speaker: Order, please.

IMMIGRATION

PROVISION OF ASYLUM FOR TECHNICAL EXPERTS FROM CZECHOSLOVAKIA

On the orders of the day:

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. Can the government inform the house whether it is granting asylum to defecting Czechoslovak nationals who are leaving their employment as technical experts in different countries of the world to come to Canada, as did a number from India in the last few days?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, our policy is directed to refugees from Czechoslovakia.

Mr. Thompson (Red Deer): I have a supplementary question. I wonder if the minister could tell us whether Czechoslovak nationals who are in Canada will be made eligible for student loans for professional retraining.

Mr. MacEachen: Mr. Speaker, the matter of assistance for students from Czechoslovakia who are refugees is under consideration.

Mr. Thompson (Red Deer): These are not students; they are professionals.

[Mr. MacInnis (Cape Breton-East Richmond).]

[*Translation*]

EXPO '67

TENDERS FOR DEMOLITION OF CITÉ DU HAVRE

On the orders of the day:

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I wanted to put a question to the Minister of Transport and, in his absence, to the Prime Minister.

In view of the latter's absence, I shall direct it to the government, since I do not quite know which minister will be able to answer this question which is very urgent, it seems to me. I would like to tell you, Mr. Speaker, how urgent it is.

The tenders for the demolition of Cité du Havre in Montreal are closing at three o'clock this afternoon. Two days ago I gave notice to the Minister of Transport of the questions I intended to ask him.

Therefore, I ask any member of the cabinet, through you, Mr. Speaker, if the government intends to demolish the Cité du Havre in order to allow the real estate company to submit plans for the establishment of a Canadian film city or site there? It is a $12 million proposal—

Mr. Speaker: Order. If the hon. member will kindly give me notice in writing of the question, I will see to it that it is discussed tonight on the adjournment motion.

Mr. Valade: Mr. Speaker, on a point of order.

In my opinion, and you will agree, it is impossible without immediate action on the part of the government, to answer a question which requires a reply before three o'clock this afternoon.

Mr. Speaker: Order. I remind the hon. member that it is a quarter past three already.

[*English*]

GRAIN

SUGGESTED OVER-QUOTA DELIVERIES OF OUT OF CONDITION GRADES

On the orders of the day:

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I would like to direct a question to the Acting Minister of Industry, Trade and Commerce. Has the government or the Canadian Wheat Board made plans to allow over-delivery quotas for tough, damp, heated and out of condition grain from this fall's harvest?

Hon. Otto E. Lang (Minister without Portfolio): There are no immediate plans in this regard. Of course the unit quota is the first thing that must be filled, and we must assess the whole situation before making plans for over deliveries.

Mr. Benjamin: I have a supplementary question. Will the minister check with the Canadian Wheat Board to see whether the practice in previous years when harvest conditions were similar will be followed again and over-delivery quotas allowed in places where the out of condition grain is at its worst?

Mr. Speaker: Order, please. The hon. member is now making a submission or a representation.

ADMINISTRATION OF JUSTICE

REQUEST FOR LEAVE OF ABSENCE FOR YUKON TERRITORIAL JUDGE

On the orders of the day:

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I should like to address a question to the Minister of Justice. Has he or his department received a written request from Hon. L. Peterson, minister of labour and attorney general for British Columbia, requesting a leave of absence for Judge Parker who has been appointed chairman of the mediation commission? If so what decision has been made in regard to the request?

Mr. Speaker: Order, please. I have the impression the question has already been asked, though I may be wrong.

Mr. David Lewis (York South): Mr. Speaker, I rise on a point of order to question Your Honour's memory. I do not think the question asked by the hon. member for Kootenay West has been answered, and since the minister seemed to be ready to reply to it I wonder if Your Honour could reconsider your ruling.

Mr. Speaker: It has already been reconsidered.

Hon. John N. Turner (Minister of Justice): Yes, Mr. Speaker, the Department of Justice received a letter from the attorney general of British Columbia on May 29 asking for leave of absence for the territorial judge in the Yukon, Mr. Justice Parker, so he could serve as chairman of the mediation commission in British Columbia. This matter was discussed by the government and I wrote Mr. Peterson, the attorney general of British Columbia, on August 21 and said we could not recommend that leave of absence be granted for a seven year period under the circumstances given by Mr. Peterson. I also told the attorney general of British Columbia that it appeared to us that certain provisions of the Judges Act were incompatible with Judge Parker acting as chairman of the mediation commission under the terms of that commission for a seven year period.

INQUIRIES OF THE MINISTRY

[*Translation*]

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I should like to direct my question to the Prime Minister.

Could he advise the house if the Leader of the Opposition has tabled an attendance register for his ghost cabinet?

Mr. Speaker: Order.

Mr. René Matte (Champlain): Mr. Speaker, I wish to direct a question to the honourable Minister of Finance.

In a speech he made on October 1, 1968 at the annual meetings of the International Monetary Fund and the IRDB, the honourable minister mentioned in the second paragraph:

> We try to seek and formulate a set of economic programs which will free some resources. We are looking closely at our taxation system and priorities—

Mr. Speaker: Order. The honourable member should ask a question and he should not make a speech.

Mr. Matte: Here is my question, Mr. Speaker. Has the honourable minister considered the advisability of improving our monetary system?

[*English*]

NORTHERN AFFAIRS

COMMITTEE CONSIDERATION OF REPORT ON ADMINISTRATION OF JUSTICE

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask a question of the Prime Minister. I ask it in the absence of the Leader of the Opposition, who is out in the country seeing how far short of performance is the just society.

Would the Prime Minister shortly place before the appropriate committee, either the justice committee or the committee on Indian affairs and northern development, the report

of the royal commission inquiring into administration of justice in the Northwest Territories, which very pointedly emphasizes the lack of justice for some of the people in the territories who are subjected to the processes of law there?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I believe this report was submitted some months ago to the Department of Justice, if I am thinking of the same report as the hon. member. If I recall correctly, the matter that the commission had been set up to deal with has been settled, but I will gladly check into the over-all principles raised by the report to see whether any action should be contemplated by this house.

BROADCASTING

EXTENT OF U.S. CONTROL OF NEWFOUNDLAND FIRM

On the orders of the day:

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Secretary of State. Will the minister request the Canadian Radio Television Commission to examine closely the degree to which ownership or effective control of the firm Stephens and Towndrow resides with the Columbia Broadcasting System of the United States or other U.S. interests?

Mr. Speaker: Order. This question might well be placed on the order paper.

Mr. Lundrigan: Mr. Speaker, on a point of order, this is a very important matter which has recently come to light and has international connotations. I beg your indulgence to allow the minister to answer the question.

Mr. Speaker: The hon. member knows that if he disagrees with the Speaker's assessment of the urgency of the matter, he can always give notification for consideration of the matter at the time of adjournment later today.

Mr. Lundrigan: Mr. Speaker, may I ask another question in the same vein. I should like to ask the Secretary of State whether government policy respecting United States control of media will not be diluted due to the apparent involvement of this particular firm with that of the well known friend of cabinet ministers, Mr. Geoff Stirling.

Mr. Speaker: The first question might be discussed tonight, but not the second one.

[Mr. Baldwin.]

FINANCE

COMPENSATION TO VENDING MACHINE OPERATORS FOLLOWING COINAGE CHANGE

On the orders of the day:

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a question for the Minister of Finance. In view of the great inconvenience, and I might say cost, to operators of coin vending machines in Canada owing to the new Canadian dimes and quarters, would the minister issue more news releases advising what help the government is prepared to give?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I think the association of coin vending machine operators was fully informed earlier this year that the federal government would pay one half of the material cost of converting existing vending machines to take the new all nickel coins. I think this is generally known throughout the industry.

ADMINISTRATION OF JUSTICE

REQUEST FOR INQUIRY INTO ORGANIZED AND SYNDICATED CRIME IN CANADA

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question is addressed to the Minister of Justice. Yesterday I asked the Solicitor General whether a request had been made by the Prime Minister of Quebec for a probe into crime, and whether the government had agreed to follow the suggestion of the Quebec Prime Minister. The Solicitor General took the question as notice and suggested that the Minister of Justice would answer it.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I think the Solicitor General ought to reply to that question.

Mr. Woolliams: A supplementary question, Mr. Speaker. May I ask the Minister of Justice whether this comes under his jurisdiction or that of the Solicitor General? One has passed the buck to the other, and now it has been passed back.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I should like to take issue with that. I think the record speaks for itself. As the Solicitor General stated yesterday, the facts were as I had given them in an earlier answer to the

hon. member for Calgary North. I think I should say that nothing I said in the House on October 4 in answer to the hon. member's question was intended to be critical of the province of Quebec. Indeed, I do not think my words were open to that construction or interpretation.

Mr. Speaker: Order, please. This appears to be a debate as to the responsibility of the minister. I suggest both to the minister and to the hon. member that this is not a problem we should try to determine during the question period.

Mr. Woolliams: Mr. Speaker, there is a small point of order here. I am not trying to debate with the minister at all. The Solicitor General stated yesterday, when I asked him a question about a probe into crime which had been suggested by the Prime Minister of Quebec, that he would take the question as notice. The day before the Minister of Justice had made some reference to it.

I think the Minister of Justice, with the greatest respect to him, misunderstood my question. He thought I was suggesting he had contradicted himself. All I want him to do is make a statement on whether the government is prepared to accept the suggestion of the Prime Minister of Quebec that there should be an investigation into crime, which is on the increase in Canada. Now, could I put that question again to the minister? I am sure he will not be argumentative.

Mr. Speaker: Perhaps there might be a conference between the two ministers and the hon. member after orders of the day.

[*Translation*]

LABOUR CONDITIONS

SAINT HYACINTHE, QUE.—CLOSING OF RUBBER PLANT

On the orders of the day:

Hon. Théogène Ricard (Saint Hyacinthe): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration.

What steps does the government intend to take in order to find jobs for the 170 employees of the Goodyear Tire & Rubber Company in Saint Hyacinthe, who have lost or will lose their jobs by the end of the year, due to the strong competition with countries where salaries are far lower than those paid to Canadian workers?

Mr. Speaker: I think this question could be taken up again tonight at time of adjournment.

Mr. Ricard: Mr. Speaker, I submit this is a very important matter. I think the government should take steps to correct a situation which is going to make jobless at least 170 heads of family and seriously affect, as a result, many citizens in the town of Saint Hyacinthe.

I think the minister should give us an idea of what the government intends to do.

Mr. Speaker: The hon. member is asking the minister concerned to give the house an idea of the programs of the government with regard to certain given situations. Such a general answer should be given either on motions or on the adjournment, when a minister has more time and can more easily give the sort of information which the hon. member for Saint Hyacinthe is asking for.

Mr. Ricard: In that case, Mr. Speaker, I would like to ask the minister whether he could make a statement on motions tomorrow.

[*English*]

CANADA PENSION PLAN

COMMUTED VALUE OF BENEFIT SUBJECT TO ESTATE TAX

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Minister of Finance. In view of the problem created by the fact that the commuted value of a Canada Pension Plan benefit awarded to a widow is subject to estate tax, would the minister consider this matter when preparing his forthcoming budget?

Hon. E. J. Benson (Minister of Finance): Yes, Mr. Speaker.

COMMUNICATIONS

CO-OPERATION WITH FRANCE IN SPACE AND SATELLITE RESEARCH

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Is the minister able to advise us whether, at the United Nations, he made specific proposals to the foreign minister of France regarding special measures of co-operation in the field of

space research and satellite telecommunication technology? If so, can he indicate in what areas the proposals lie?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the answer to that question is yes, I did make some proposals to the foreign minister of France. It would take me quite a long time to place them before the house. When the estimates of my department are being considered would perhaps be an appropriate time for me to give a full answer to that question.

INDIAN AFFAIRS

INQUIRY AS TO ESTABLISHMENT OF CLAIMS COMMISSION

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development and relates to the current consultations and meetings taking place with native Indians across the country and the concern they feel about not having available the proposed bill establishing an Indian claims commission, details of which the government outlined in the speech from the throne. Will the minister take steps immediately to make public government policy in this regard, or the government bill to establish the Indian claims commission, so that the matter may be discussed at the meetings which are taking place now?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, the Minister of Indian Affairs and Northern Development has been giving the matter of the Indian claims commission consideration and he has stated that there will be consultation when a basic policy for presentation is available about which there can be consultation.

Mr. Howard (Skeena): A supplementary question, Mr. Speaker. Did I understand the minister, who I believe is the acting minister, to say that there will be another series of consultations following the introduction of the Indian claims commission bill? If so, could he spell out in detail what is to take place?

Mr. Speaker: I hope the acting minister does not spell that out in detail. We have just two minutes left.

[Mr. Macquarrie.]

EXTERNAL AFFAIRS

GABON—INQUIRY AS TO DIPLOMATIC RELATIONS

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Has Canada initiated steps to renew diplomatic relations with Gabon?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Not yet, Mr. Speaker.

Mr. Fairweather: A supplementary question, Mr. Speaker. In March the former prime minister of Canada said that he would ask if exchanges of correspondence on this subject could be tabled. Could they now be tabled?

Mr. Sharp: I was not concerned with these affairs so much in those days, Mr. Speaker, so that I shall look up the record and see what might be done. I might say, to clarify my previous answer, that of course there are relations between Gabon and Canada. All that has happened is that we have not exchanged diplomats.

[*Translation*]

VIET NAM—REQUEST FOR REVIEW OF POLICY

On the orders of the day:

Mr. Henri Latulippe (Compton): Mr. Speaker, I wish to put a question to the hon. Minister for External Affairs.

Could he tell the house whether the government intends to revise its Viet Nam policy and, if so, could he be more explicit?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, if the hon. member were to read the statement I made yesterday at the United Nations he might have a clear exposition of our position.

Mr. Lewis: That is self serving evidence.

AGRICULTURE

TURKEYS—REQUEST FOR PROTECTION AGAINST U.S. IMPORTS

On the orders of the day:

Mr. R. E. McKinley (Huron): Mr. Speaker, my question is directed to the Minister of Agriculture. On September 16 the minister said that the matter of the importation of United States turkeys at prices below the cost of Canadian production was to be given consideration. Has the matter been considered?

If so, with what result, and what action is to be taken?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, it has been considered. Though we are watching the situation every day we have no evidence that United States turkeys are being imported into Canada at prices lower than they are being offered in the United States. So far as action is concerned, we have not yet decided to take any action except to keep the situation under constant surveillance.

NATIONAL DEFENCE

NEWFOUNDLAND—PROPOSED CLOSING OF U.S. INSTALLATION AT ARGENTIA

On the orders of the day:

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is directed to the Minister of Defence Production. Notice of it was given yesterday by my colleague the hon. member for St. John's East. Would the minister tell the house whether the government has been advised of the reported plans to close down the big United States installation at Argentia, Newfoundland?

Hon. Donald C. Jamieson (Minister of Defence Production): The answer is no, Mr. Speaker.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is directed to the Minister of Defence Production, Newfoundland's friend in the federal cabinet.

Some hon. Members: Hear, hear.

Mr. John Lundrigan (Gander-Twillingate): I want to make the hon. gentleman a little more comfortable in his lonely role—

Mr. Speaker: Order, please. Orders of the day.

BUSINESS OF THE HOUSE

Mr. G. W. Baldwin (Peace River): On a point of order, Mr. Speaker, may I be permitted, with the consent of the house, to ask the President of the Privy Council about the business for next week? I have been trying to obtain this information for the last 20 minutes.

Hon. Donald S. Macdonald (President of the Privy Council): As hon. members know, we shall continue with the committee stage of the Farm Improvement Loans Act bill today, to be followed by second reading and committee stage of the farm credit bill. There is to be a departure from the business as announced last night if the Chair would call item No. 21 on today's order paper, the white paper on anti-dumping. I believe there is general agreement in the house that this matter may be proceeded with this afternoon without delay.

Tomorrow we propose to go into committee of supply and take the estimates of the governor general, privy council, legislation and treasury board. On Monday, of course, the house will not be sitting. On Tuesday next we shall call second reading of the bill to amend the Post Office Act and, on disposing of that, we will proceed to second reading of the bill to amend the Prairie Grain Advance Payments Act, and to the committee stage of that bill. On Thursday next we would call the resolution preceding the official languages bill and on Friday next we would call estimates, the actual estimates to be called to be the subject of discussion with hon. members opposite.

Mr. James A. McGrath (St. John's East): Before Your Honour calls orders of the day, may I rise on a point of order. I wish to ask, Mr. Speaker, how any hon. member can direct questions to the ministry if they are not accepted by those ministers who are in their seats on behalf of other ministers. The Prime Minister today, I submit, refused to answer a question of mine which was legitimate. The Acting Minister of Transport refused to give an answer. My question is, how is one to direct urgent questions to the ministry if ministers are not to be in their seats?

Mr. Speaker: I point out to the hon. member that the subject matter of his point of order took from 20 to 30 minutes of the time of the house yesterday.

TRADE

REFERENCE TO COMMITTEE OF WHITE PAPER ON ANTI-DUMPING

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

That the white paper on anti-dumping tabled on September 20, 1968, be referred to the standing committee on finance, trade and economic affairs.

Motion agreed to.

FARM IMPROVEMENT LOANS ACT

AMENDMENTS EXTENDING PERIOD, RESPECTING INTEREST RATES, ETC.

The house resumed, from Wednesday, October 9, consideration in committee of Bill No. C-111, to amend the Farm Improvement Loans Act—Mr. Olson (for Mr. Benson)—Mr. Faulkner in the chair.

On clause 1—*Bank.*

Mr. Bigg: Mr. Chairman, at five o'clock yesterday I was interrupted by private members' hour. I had been in a verbal tussle with the Minister of Agriculture as to the size of loans and where the considerable amounts of money voted under these four bills were to go. I made an error, I am afraid. I said that the average loan was from $17,000 to around $20,000. I have learned, from papers submitted by the Department of Agriculture, that under the farm credit legislation the average loan has been $22,000.

That brings me to my main point, and if I make no other point in the debate I shall be happy. In my opinion, as well as in the opinion of many farmers in Canada, $1 billion and more, under one piece of legislation, is being directed toward fewer and fewer farmers and those farmers or bodies obtaining money are obtaining it in ever-increasing amounts. Last year the average amount lent under the Farm Credit Act was $20,380, and this year so far it has been $22,020. I refer to this act because these acts are so closely related that it is fair to say the rule of relevance is being kept. By lending such sums we are not getting to the root of the matter, namely, what are we doing to keep the small family farmer on the land?

• (3:40 p.m.)

The second question is: what chance does a young farmer have of acquiring a farm, starting up and making a success of it? It is not always possible for him to take over the family farm and in most cases where the farms are small I understand it is the deliberate policy of the government to withhold financial help in such cases unless the venture is obviously a paying proposition. This is putting the cart before the horse. How can a farmer possibly have a paying proposition unless his farm is well financed, in which case credit is hardly needed? Yet the administration will not lend money unless the operation is a cinch. I think the people of Canada are still pioneer-minded and that a large percentage of any money voted for agriculture should be devoted to the encouragement of the new farmer, the small farmer. Unless this is done I believe serious consequences will ensue.

The farmers' union of Alberta recently sent out fourteen questions, not addressed to me personally or to the minister personally but to the government of Canada. These farmers want to know the policy of the government with respect to the position of the family farm in Canadian agriculture. They are asking this question because they know it is the small farmer who is finding it increasingly difficult to make a living. They know that such markets as we have are increasingly being divided among fewer people. It is only the relatively few farmers, the well financed farmers, the independent corporations which do not rely on agriculture for a living but are interested rather in depreciation and avoidance of income tax, that are in a good position to qualify for loans at the present time. Yet they are in direct competition with the small family farms.

I always try to avoid criticizing unless I have some positive suggestion to make. Having discussed this question with many farm unions and many individual farmers, I say we must find some way of licensing farmers. By this I do not mean that farmers should be placed under bureaucratic control. It is a matter of definition. If we are to pass legislation here to help farmers we must know who it is we are helping. I believe it is necessary to have large corporation farms; I am not saying they should be destroyed. I think there should be large, efficient farms, and well-heeled farmers on the land. I am not suggesting we should return to a peasantry, or limit downward the size of farms any more than limit them upward.

I think we should recognize three categories of farmers so that when we vote money for farm loans or credit under any of the several bills we have been considering we will know exactly what we are doing. The experience of allowing decisions as to where the money is to go to rest with the financial institutions has proved disastrous over the last 20 years. Those institutions are interested only in profit per dollar on a percentage basis. We as legislators are interested in something far wider and greater.

It will be necessary, I am sure, to divide farmers into at least three main categories and to make sure that rules apply to these categories in different ways. I see no reason why the taxpayers of Canada should subsidize

any large corporation. I do not intend to name any names, but there are corporations which are deep into the hog business, the poultry business and the cattle business—corporations which are not really farmers at all. I do not see why we should lend money to them at any specific rate of interest whatsoever.

The small farmer who is caught in the cost-price squeeze and whose turnover is not large enough to allow him to absorb his costs and make a reasonable profit is in an entirely different situation. He is not in any position to argue with the financial institutions, nor is he in a position to bargain at the marketing end. The grain market is in the doldrums. The small hog raiser is in competition with the big producers, and he will not be able to compete any more effectively if we lend his competitors money at a reduced rate, whatever the actual percentage may be.

The little man is certainly not going to get loans if the criterion is to be 100 per cent certainty of repayment. If the policy is not to lend money until the success of a venture is guaranteed, no small farmer will ever be able to get a loan. He will only be driven downward, or else we shall find ourselves with a system of feudal tenure of land in this country, something which I believe would be disastrous. It surprises me that in putting forward these ideas I am not backed up by a Minister of Agriculture who believes in the principle of interest free money for the little people.

Nowhere in the regulations made under these four acts do I find the emphasis placed where it should be, that is, on maintaining a happy agricultural industry in the hands of little people living on the land and depending on the land for their livelihood. A system of licensing farmers would help us in designating what a farmer is. The minister has the ability to take this step. His department has the statistics available. If this suggestion were followed we would arrive at an essential basis on which to evaluate any legislation having to do with farming in Canada.

When we are dealing with farming I do not think we ought to spend our time splitting hairs. During the last election, Liberal propaganda pointed the finger of scorn at the present leader of the Conservative party, saying he was a socialist because he hoped to guarantee people an income. The Edmonton *Journal*, which is not thought of as a Conservative paper, had this report on Monday, June 3: "Mr. Trudeau assured the farmers of Canada an income." To my mind the word "assure" and the word "guarantee" mean one and the same thing. I am certain hon. members to my extreme left are in favour of a guaranteed income. So it must be our unanimous opinion that the people of Canada should enjoy a decent standard of living wherever they find themselves. The Prime Minister called it an assured farm income. The Leader of the Opposition called it a guaranteed farm income. I say—and I am no socialist—that when we are spending the taxpayers' money to guarantee anybody an income we should take a very good look to see exactly whose income we are guaranteeing.

• (3:50 p.m.)

The present administration takes pride in the fact that it has provided a great amount of money for farm credit. I am not sure of the total but on the books there is $915,837,195 outstanding, very close to $1 billion on these accounts alone. Personally I think all this money has not been going to the right people. The villages of western Canada, and I presume the same applies in the maritimes, Quebec, Ontario and British Columbia, are feeling the pinch of lack of population.

People who are interested in housing know what a problem we have in that regard. They have done their work and they can tell you that this business of driving people off the land into the cities is the wrong trend. We are indeed going to be a very sad country when we have 20 million or 30 million people rammed into our cities. The city is not a good place in which to raise families. It is not a good place in which to develop the individual initiative of which Canada has always been proud. It is very costly and unhealthy to live in a city. Driving people to live in a city is a backward step.

In case hon. members think that I have nothing but criticism I would point out that I have an answer to the problem. The small farmer can be protected by making sure that any government support policy is based on a reasonable quota system related to the family farm. This is the way to give an assured farm income or guaranteed farm income, whatever you want to call it, whereby the people who need it most can get that standard of living to which they are entitled, particularly if they are willing to work. There is no question of the farmers' willingness to work; otherwise they would not stay on their farms. They would crowd into the cities and there try to get on welfare plans. In the cities they would have an unnatural way of life, in many cases

an unhealthy environment, and no economic security whatever. What are these people going to do?

In case I am considered a dreamer, with only a sentimental attachment for the land, I would point out that this is not so. The world today needs the produce of Canadian farmers, and in the long run I do not believe we will produce more or better food if we return to the feudal system.

We are mining the land. We are destroying our villages. We are reducing the income of individual little people. If the government persists in this idea of taking small farmers off the land and enlarging the feudal estates it will depart a long way from Liberalism's dream in the last century. I say to the government: be honest about it. Admit you are going to create feudal landlords, to be friends of the big money men and of the big landlords. It is a strange thing that I have to stand on the so-called blue Tory side of the house to remind government members of the type of principles which made Laurier great. He saw this matter clearly. If I had lived in the days of Laurier perhaps I would have been a Liberal, but I cannot be that now when the Liberals are giving only lip service to the cause of looking after the small people. There is certainly nothing in any of these four pieces of legislation to lead me to believe that the government has a sensible approach to agriculture.

The farmers are asking for nothing unusual. The question is, what interest rate should we charge them on the money that is being made available? Yesterday I said that a rate of 5 per cent may have been all right ten years ago. But now there is inflation which has been aggravated by the government pouring large amounts of money into the wrong sectors of our economy, to help the purchase of land at wrong prices by the wrong people.

It is a paradox that when we cannot sell our agricultural products for a decent price the price of land is still going up. Is it because the farmer is really making a big profit and hiding it some place? Or is it a fact that land is rapidly going into the hands of people who are not agriculturalists, who are using it as an economic trick to get out of paying income tax and bearing their proper share of the country's economic burdens? While these people are doing this they are taking a living away from those whose birthright it is to make a living on the land.

The Farm Union of Alberta, at least, agrees with me on what the formula should be for lending money. They say we should have a realistic rate of interest for money lent to small farmers. The only excuse for lending money below the normal bank rate of interest is that a cost-price squeeze is operating against the small farmer that he cannot meet without some type of assistance. The fairest way to give the small farmer a break is by lending him money at a reasonable interest rate, and I believe that the interest rate should float with the cost of money. I do not suppose that the government has it entirely in its power to prevent inflation, but it does have the power to lend money to small farmers at a rate which has a bearing on the cost that the government itself pays for money. I am not an actuary but I would suggest a formula of 1 per cent above the Bank of Canada lending rate.

I do not think we have to consult the banks about this because by the preamble to this bill we see that there are lending institutions in Canada that are willing to lend money on an assured deal, on a government backed deal. Caisses populaires, credit unions and so forth are in the money lending business, and they would be only too delighted to handle these farm loans when the government guarantees them a return on their money.

As I say, the rate of interest should float with the cost of money, and the only source that has large amounts of money in Canada is the Bank of Canada which sets the bank rate. So, let the farmers have their loans at approximately 1 per cent over the bank rate. I will not quibble with the minister and the government if the rate differential fluctuates between .8 per cent and 1.02 per cent. Over a period of years it has been profitable for the banks to handle this business at a rate of approximately 1 per cent or half of one per cent above the bank rate.

The farmers agree with this suggestion. They are realistic but they want to keep their place within the economy. Naturally, if we have inflation the price of farm products should go up somewhat. There is no doubt that the farmer's costs are going up, and so we should set this interest rate according to a fixed formula based on what we think is right.

This is not the law of the Medes and the Persians. We are changing it every day; otherwise, we would not be discussing it in this chamber. Let us take an honest look at what we think should be a fair rate according to this formula and give it a try. The money will be repaid. If the banks, credit companies

and trust companies come back to us in 18 months or two years and show they have been giving this service to Canadian farmers at a loss, I think that as fairminded people we would be willing to raise the differential by, say, half of one per cent, to make sure that these companies do not work for nothing.

The Chairman: Order, please. I regret that the hon. member's time has expired.

Mr. Muir (Lisgar): Mr. Chairman, I rise not to delay the passage of this legislation but to get some answers that I feel we did not get yesterday to questions that were posed by members of the opposition. I hope the minister will come back into the chamber for a few minutes because that is all the time I am going to take, and if he is not here I will have to ask these questions all over again.

Mr. Gray: Mr. Chairman, may I reassure the hon. member that I am here in my capacity as parliamentary secretary to the Minister of Finance to assist—oh, here comes the minister. I was going to say I would take careful notes of the hon. member's points and bring them to the minister's attention, but I guess his representations penetrated behind the curtain and the minister has returned.

Mr. Muir (Lisgar): I noticed that the minister was back and I thought he might as well be comfortable in his seat. It is obvious from the remarks made by hon. gentlemen on both sides of the chamber that we are all agreed that this bill should be passed as expeditiously as possible. It is also obvious that the prime object of the bill is to make money available to the farmers at the fairest and most reasonable rate of interest that we can devise and, at the same time, assure the availability of the necessary funds. I think we are all agreed on this.

• (4:00 p.m.)

I am led to believe also, from the remarks the minister made yesterday, that he has finally agreed that the interest rate should be tied to some formula announced in advance, as part of the regulations under this act. So far as the formula is concerned I have a feeling, which I believe is shared by my colleagues on this side of the house, that in his answers yesterday the minister engaged in a little bit of hedging. I may be wrong and perhaps the minister will take the opportunity of clarifying the situation after I complete my remarks. Although he stated the rate of interest would be comparable with that paid on government bonds, in my opinion he did not come right out and say whether he meant long term or short term bonds or whether the interest on the loans would compare with the interest on a bond with a similar repayment period. Is the minister suggesting that multiple interest rates would be applied to the loans, depending upon the length of the loan period? I hope the minister will give us a clear, unequivocal answer to this question so we can pass this legislation and make it available to the farm community as quickly as possible.

The minister also said there will be some additional costs attached to these loans over and above the interest charge. Since there is no mortgage to be processed under the provisions of this legislation, I personally feel that there should be no added costs. I fail to see where an added cost factor would enter into a loan program of this type. Perhaps the minister would explain to the committee how much this added cost would be. I am sure that if the committee could get satisfactory answers to these questions there would be no delay in getting the legislation approved. I am just reiterating to the minister that we want to know whether the interest rate is to be tied to long term or short term bonds or whether it is going to be set according to the length of the loan period. In the latter case, I suggest we would probably have multiple interest rates. As I have said, if the minister can give the committee answers to these questions there should be no delay in getting the legislation approved.

Mr. Olson: Perhaps I could answer the hon. gentleman in about a minute and a half by saying that I have not been hedging with hon. gentlemen opposite. I have given them all the positive information I have at this point in time. We have to recognize, and I repeat this, that the banks are lending their own money. We do not have any legislation now, and we do not want any legislation, that will give the government the power to direct the banks to lend their customers money at any particular rate of interest. What we can do, and what we will do, is to suggest a maximum rate under which we will guarantee these loans. In other words, we are not going to guarantee a loan if the maximum interest rate is not low enough to enable the legislation to provide a service to the farmers, not to the banks but to the farmers.

I have to say this to hon. gentlemen: we think it is reasonable that there should be a slightly higher charge for these loans than for

government bonds with similar terms because it is a fact the banks could lend this money to the government by just buying bonds. There are some additional expenses connected with servicing these loans and these expenses are not incurred by simply buying government bonds. This is the justification for the slight additional charge over the rate formerly charged.

So far as what the amount will be is concerned, I hope hon. gentlemen realize that by including small land purchases and presumably, therefore, longer periods for loans than were available under the old Farm Improvement Loans Act, there will be additional costs connected with loans of this type. We do not have any experience, however, with this type of loan and neither do the banks. I do say that the interest rate would be tried to a formula which would take into account a rate that is comparable with, that for the same term of government of Canada bond. I am sure hon. gentlemen will realize that we feel the banks will participate in this program to the same level that they did before. I hope my friend will agree with me that the banks gave wholehearted support to the Farm Improvement Loans Act over a long period of time. We want to make sure that they continue to do so. I have not been hedging at all, and as soon as I have positive, accurate information to give hon. gentlemen I will give it to them.

Mr. Muir (Lisgar): What the minister is telling us is that he is prepared to see multiple interest rates under the legislation?

Mr. Olson: No, Mr. Chairman, I did not say that. I want to suggest that there may be a different rate for machinery, say, on a three year term. I am just throwing out these hypothetical cases. There may be a different rate for a land purchase on a 15 year term. Here again, we have to come back to the same argument I have used over and over again, namely, that it is the banks' money. We want to make sure they support this program and therefore we have to make some arrangements for setting a maximum rate under which we will guarantee loans at a point which the banks will support. It may be that there will be a slightly different rate for three year term loans to buy equipment which would depreciate rapidly compared with loans for the purchase of land. However, I am satisfied these rates will be tried to a comparable term that is current for government of Canada bonds.

[Mr. Olson.]

Mr. Muir (Lisgar): Are we to understand, then, that there has been no discussion with the chartered banks or other interested lenders with regard to any formula that might be presented to them by the government and which they would consider satisfactory?

Mr. Olson: I would not say there has been no discussion. I do not think it would be useful at this stage to have a discussion or to say that the banks have agreed to this or have not agreed to that. Surely hon. gentlemen opposite must realize that it is necessary for the Department of Finance to have a bill passed by this house setting out the terms and conditions of loans before a final decision can be made as to what the maximum rate of interest will be under the guarantee.

I believe it was the hon. member for Assiniboia who asked me yesterday how long it would be after the legislation is passed before it would be operative. I cannot give a positive answer to the committee, but I would hope it would be within a few days after royal assent. We have reason to believe that is so.

Mr. Bigg: Has any consideration been given to the question of different interest rates for operations of different sizes? I refer to the difference between a family farm and a corporation farm. Has this question been discussed?

Mr. Olson: Certainly it has been discussed. I am sure my friend will agree with me that the main purpose of this measure, and other measures, is to assist farmers in obtaining economic units. Then, of course, we get into the complex question of what is, in fact, an economic unit. I followed my hon. friend's remarks very carefully and I agree with some of the points he made. I am sure he will agree that the best service we can perform for farmers is to give assistance in the obtaining of equipment and land in order that they can develop economic units to pay their expenses and provide themselves with a decent living from their farming operations.

• (4:10 p.m.)

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, did the minister consult any credit unions or loan companies in respect of this measure? He said he made some preliminary investigations with bankers but we are not dealing only with banks in this regard. Did he consult them to see what interest rates they might find attractive?

Mr. Olson: Mr. Chairman I do not think any useful purpose could be served by making public statements in or outside the house regarding the exploratory inquiries that have been made of the people involved. I think this might make the situation more difficult. We should not speculate about things that have taken place up to this point. When the provisions of the bill are available we can make a decision about the maximum rate.

Let me point out to hon. members opposite that the maximum rate is not a matter for negotiation although it is a matter for discussion. One can become confused about the connotation of these two words in this context. I think in the final analysis the governor in council will decide what the maximum rate will be on loans which the government will guarantee.

The only purpose of this legislation, as I explained the other night, is to guarantee loans and lower the interest rates below commercial or competitive rates which now exist. Otherwise there would be no purpose. We are keenly aware that this is the purpose.

Mr. Burton: Mr. Chairman, I was somewhat surprised by the minister's statement that there had been no consultation with financial institutions other than banks.

Mr. Olson: I did not say that.

Mr. Burton: I gathered from his remarks that there have been some discussions, but if I understood him correctly there have been no discussions with officials of credit unions.

Mr. Olson: That is not what I said at all.

Mr. Burton: I understood that there have been no discussions with trust or loan companies which may eventually become involved in lending under this legislation. Because our discussion has taken this turn I intend to make some remarks about subclause 1 of clause 1.

The purpose of this subclause is to redefine the term "bank" as it is used in the act. It has the effect of qualifying other institutions under the provisions which guarantee loans to farmers. This paragraph provides that all chartered banks are qualified under the Farm Improvement Loans Act. Provision is made in subsequent paragraphs to include credit unions, caisse populaires and other co-operative credit societies, as well as trust companies and loan companies.

These companies must be designated under the provisions of this measure by the minister. I am aware of a financial institution which would fall within this category; yet none of the officials of this institution have received information about this bill. This institution's employees are experienced in the lending field, and are interested in receiving information. I forwarded them a copy of this bill.

Paragraphs (ii) and (iii) set out the other institutions which may qualify for inclusion under the provisions of this bill. As I understand the wording, the minister is to be given the discretion to decide which institutions will be included. There is some justification for this because of the nature of some of these institutions and because of what is involved. It seems to me that this leaves the minister in a rather vulnerable position. He has absolutely no criteria to follow in deciding which institutions should qualify. He must use his own judgment, which I have no doubt is as good as the judgment of anyone else. It would be useful if the minister had some legislative guidance in making these decisions as to which institutions should be designated or qualified under this measure. This would provide some protection.

Let me ask the minister what policy is to be followed when making loans. Are there to be any basic criteria as to what institutions may qualify? The institutions which make these loans will be making them for the purpose of farm improvement, and as long as they meet some criteria there will be no difficulty about the guarantee. Without some criteria there will be very mixed-up situations. Various institutions qualified under the provisions may well be following different policies. There will not be any co-ordinated or integrated approach in respect of farm credit affairs. This could lead to very serious problems.

I have consulted the managers of several financial institutions which have been engaged in lending money for the purpose of farm improvement without the provisions of any government guarantee. Some of these people are well qualified from a managerial point of view and have competent employees. This is the type of institution we should have in mind when deciding the criteria or provisions under which they may qualify.

We must look at the broad implications of this measure. Will the minister consider these financial institutions very carefully before including them within the provisions of this bill? Is there going to be any co-ordination or

integration in respect of farm credit? This is very important because we are including a number of agencies which will deal with farm credit. We now have a federal agency, namely the Farm Credit Corporation.

Up to this time chartered banks have been making loans under the provisions of the Farm Improvement Loans Act. Most of these bank branches interested in making loans under this act are involved in the affairs of the immediate rural communities. They have personnel with knowledge of farm conditions in the areas they are serving. We are now extending the scope of this legislation. No doubt many of the institutions which will qualify under the new provisions will be able to handle these loans in a competent fashion. However, there are questions that should be answered regarding the approach that is to be used. I urge the minister to consider these questions seriously.

Mr. Korchinski: Mr. Chairman, I should like to make a few remarks about this legislation. Before I ask the questions I have in mind I should like to take issue with a statement by the hon. member for Saskatoon-Biggar.

I think it will be beneficial to combine farm credit legislation. It seems evident that in years to come we will be creating more corporations. It is in this sense that I disagree with the hon. member for Saskatoon-Biggar. Many more institutions will qualify under the terms of this bill and these institutions will be able to lend money to those farmers who have been turned down by the Farm Credit Corporation. If a farmer applies to the Farm Credit Corporation for a loan with which to buy land and the corporation does not think he is a good risk, under the farm improvement loans legislation he can go to a bank and is entitled to obtain a loan. Those of us who have had any experience with banks know what happens when you apply to a bank for such a loan. The bank takes a statement of your net worth, and so on, and very few farmers are denied a loan under the farm improvement loans legislation. For this reason the legislation has been a blessing over the years.

• (4:20 p.m.)

These are the people who will benefit from the program. This is what will happen, contrary to the wishes of the government that the large corporations shall one day take over all our farms. This is part of the thinking of

the Farm Credit Corporation. I believe they will realize that there is a loophole in the farm improvement loans legislation which will benefit those who farm on a part time basis This is a good thing because it is the only salvation the family farmer has after he has applied to the Farm Credit Corporation for a loan.

I take issue with the hon. member for Saskatoon-Biggar in this regard. His argument was that the farmer will in a relatively short period be making large repayments on his loan and consequently his standard of living will be reduced. I realize that this sort of thing does happen, but the fact is that there is one place to which the farmer can turn for a loan after the Farm Credit Corporation has turned him down. He can go to a bank or other lending institution and obtain a loan. In this way he will at least be able to buy an additional quarter of land, and having bought the land can go back to the Farm Credit Corporation and say, "I am farming an almost economic unit and am now qualified to obtain a loan from you." This is what will happen, and I say thank goodness for it. It is good that there is one place to which the small farmer can go to obtain a loan.

I do not know whether the minister realizes it, but this program is in almost direct conflict with government policy in respect of farming, which is to eliminate the small farmer. These matters have been raised by other hon. members. I ask the minister whether we are to have different interest rates in respect of different purchases. Will there be one interest rate for the purchase of land, another for the purchase of machinery, another for the purchase of cattle and yet another for the purchase of buildings? We do not know what will happen with regard to interest rates. We do not know a great many things about this legislation. I think we are buying a cat in a bag. I am somewhat annoyed at and disturbed by the minister because apparently at this stage even he does not know the answers to these questions.

Apparently this legislation is not very important because the government house leader has told us that if it is not passed today we will move on and deal with other matters. Therefore there is not the urgency attached to it that the minister has tried to imply. There is a great need for this legislation, but the minister has not been very influential in persuading the government house leader that this is so. I do not think we need to rush into other measures but should deal

with this matter first. The minister should give us the details of this legislation. Even if the minister is not prepared to answer our questions, we still need legislation along this line.

If there is to be one interest rate applied to a loan for the purchase of land, another applied to a loan for the purchase of machinery, with a different depreciation rate, another rate in respect of a loan to purchase cattle, buildings, and so on, how does the minister reconcile his statement that the interest rate will be tied to the rate of government borrowing? Obviously there will not be any such tie. This is an attempt to convince the committee that the government is thinking along that line, but obviously the banks have not made any definite statement in this respect. Apparently the minister has not said to the banks: This is the government's thinking in this regard. The minister has not received the thinking of the banks; he is simply waiting for them to say what they intend to do.

If the minister is prepared at this time to answer the questions we have raised in respect of the legislation I will immediately resume my seat. I ask the minister whether he can tell us that he has said to the banks, "This is what I propose", and whether the banks accepted or rejected his proposals. He has nothing to offer with regard to the attitude of the banks to this measure.

The banks will benefit from this legislation, but what will be the situation as between one bank and another? I should not talk about caisses populaire because I do not know enough about them, but I do have some knowledge of the way credit unions operate. The minister should ignore any arrangement arrived at among the banks, if this is indeed the case, and should agree with the banks on an interest rate that will be most favourable to the farmer.

Although different types of lending institutions are to be included in this program, they should all be prepared to accept the rate set by the minister. I do not think that because different types of lending institutions are included in the bill there will be any reduction in the interest rate. If there has been an agreement between the banks and other lending institutions as to the interest rate to be charged, the minister can keep that in the bill for windowdressing and go across the country saying he has made it possible for farmers to obtain loans from all these institutions. He can holler hallelujah, if he likes, for having done this. The point is that these institutions will not be helpful in reducing the interest rate the farmer will pay.

What interest rate has the minister proposed to the banks? What has been the reaction of the banks to his proposal? The minister has referred to a government guarantee in respect of these loans. Is that guarantee meaningful? Will the interest rate differ as between one bank and another, for example, as between the Royal Bank of Canada, the Canadian-Imperial Bank of Commerce and the Bank of Montreal? We do not have the answers to these questions. The minister is not prepared at this time to give us an idea of what he has in mind. Perhaps it is because he has no idea of what the interest rate should be.

If the government has any thinking in this regard, obviously the banks have not yet accepted it. Surely at this stage of the game the banks should be prepared to say yes to the minister's proposals and he should tell the house what those proposals are. If he did this, a great deal of time would be saved in our committee discussion. The minister should tell us, "We have made an agreement with the banks. This is it." What is the secret in this respect? We have to know sooner or later.

Must I as an opposition member rise in the house and ask the minister every day whether there has been a change in the rate or a fluctuation in a bond issue? If I have to do this, will it be helpful? Would this be conducive to the dispatch of business in the house? Surely it would not.

I believe it is my responsibility as an opposition member of this house to ask the minister these questions. Every time there is a bond issue, no matter in what part of the year it may be, it will have a bearing on the interest rate the banks will charge. I do not want to be put in the position where I have to pester the minister until he gives us this information. We will not be satisfied until the minister is prepared to tell us the formula arrived at in respect of interest rates. If we have to continually ask the minister questions on this matter, will it be in the interest of good business in the house and in the interest of the farming industry—because farmers will be continually asking for loans? This is not something that will last only one day or one year. It will continue and it will increase. It has been going on now for some 20 years.

Farm Improvement Loans Act

• (4:30 p.m.)

Surely the minister must realize that this situation is different from loans to businessmen. There have been business failures and farming failures right, left and centre, but the point is that the amount of money lost in loans to the farming community is insignificant. This is the real difference. Therefore I suggest to the minister he should be prepared to answer this question at this time in order to silence this verbiage and help me to save my breath. Otherwise, every time an order in council is passed I will be asking myself what were the criteria in setting the rate, why did the government raise it, and what can be done to reduce it. I will be selfish for a moment and say that as a potential borrower myself I could ask, why should I pay that kind of rate.

Mr. Olson: I think I could help the hon. member by just saying to him that I spelled out very clearly in my speech yesterday that the rates will be set according to whether the guarantee will be available to all institutions at the same level. There may be two rates, but the whole essence of this is its simplicity. We want it to be easy for farmers to apply for this kind of loan. These rates will be set for certain periods, and every potential borrower will know exactly what the rate is for that period. They will not be adjusted more often than every quarter, and if the hon. member wants to ask me or the Minister of Finance four times a year what the rate will be I do not think he will be pestering us and we would not mind answering him.

Mr. Korchinski: That is fine, Mr. Chairman. The minister has indicated there will be two rates, one for land. What will the other be for? Will there be different rates for land, machinery, livestock and so on?

Mr. Olson: I did not quite say that. There was a question whether there would be what was referred to as a multiplicity of rates. The hon. member said there might be one for machinery, one for livestock, one for land, etc. I suggest that, since a new provision or what amounts to almost a new concept is being added to this bill so far as its usefulness is concerned with regard to the purchase of land, there is a possibility of two rates being established, but not more than two rates, because of the difference in the length of term. We want to keep it simple. We have to keep that in mind because the very success of this provision in the past lay in the fact that it was simple to operate.

[Mr. Korchinski.]

Perhaps I should take this opportunity to answer some of the questions the hon. member raised. It is important that this legislation be passed. It is also important that the Farm Credit Act and the legislation on advances on grain be passed, but it is up to hon. members to decide when they will be passed. I as Minister of Agriculture think that all legislation dealing with agriculture is more important than any other legislation. However, there are other ministers and other members of this house who represent other areas, and they also have some rights here. We have to bear in mind the fact that there is other, very urgent legislation dealing with other matters.

The hon. member referred to this legislation as being a loophole. He said that someone may be able to get credit under this provision through a loophole which exists in the regulations of the corporation. I do not agree with him because I do not think the credit rating of the borrower would be changed. There are some complex rules and regulations, such as the economic unit qualification, which the Farm Credit Corporation requires and which may not be required under this legislation. I am glad my hon. friend has endorsed this, but I would not agree there is a loophole in this legislation from the Farm Credit Corporation because I do not think this is the correct term for it.

Mr. Korchinski: That is my own term, Mr. Chairman, and I am entitled to make my own definitions according to the way I see things. The minister has seen fit to give some answers to my questions, but I believe he has confused the issue even further. I asked whether there will be two interest rates, to which he said there would be a multiplicity of rates.

Mr. Olson: I said there will not be a multiplicity of rates.

Mr. Korchinski: There will be two rates. Let us leave it at that. Apparently the minister cannot give me a straight answer. If he can, he should stand up and say so right now. So we will have at least two rates. If I wish to get a loan for the purchase of land, which I can pay off in seven or eight years time, and if at the same time I am entitled to the same type of loan for machinery, why should I pay a different rate for machinery from that which I pay for land? I am the same man who would be getting the two loans and in both cases the credit risk would be the same. I should be able to get my money in the same

way from the same bank. Can the minister explain that?

Mr. Olson: The difference is that when the hon. member borrows money for the purchase of land he may take the loan for 15 years while if he borrows money for a piece of equipment he may do so for three years.

Mr. Horner: I wish to speak on the same point, Mr. Chairman. If a farmer borrows $3,000 to $10,000 for machinery and takes another loan for land at the same time, both to be repaid in five years time, would the rate be the same?

Mr. Olson: Under the past provisions of the Farm Improvement Loans Act my hon. friend knows that a different note was written for each piece of equipment and for different purposes.

Mr. Horner: In the past the rate was the same for each piece of equipment and for each purpose. I am as confused as the hon. member for Mackenzie is. If there are two rates of interest, will one apply specifically to land and the other to machinery, or will one be charged for a five year term and the other for a longer term?

Mr. Olson: I do not wish to confuse the hon. members. I told them at the outset that all the details have not yet been worked out. Surely hon. members recognize that we need the authority of this parliament before we can initiate discussions of negotiations with all the financial institutions involved. If we went to them without the authority of the house and spoke about the proposed amendments, they would be asking precisely the same questions such as, what will parliament agree to, and so on. This is exactly what the Minister of Finance wants, namely, the authority of the house so as to enable us to give a government guarantee under the provisions of the act. It is only then that we will be in a position to make arrangements with the banks. We want to do it as quickly as possible.

Mr. Korchinski: I am glad the minister wants to rush this legislation through because I want that also. But at the same time I want to have a few questions answered before I rush into this headlong and find it is too late to back out of it. If, as the minister says, the banks are waiting to know what this house wants, I think we can provide the minister with some suggestions in due course. However, there are several questions which I wish to put to the minister. It may be that the minister has dealt with this one; nevertheless I will put it to him. It is to be presumed that eventually this bill will be passed in one form or another and will receive final reading regardless of whether or not it is acceptable to us. Therefore, will it be possible after this legislation is passed for many of the farmers, who have taken loans in the interim period at rates which were not too satisfactory but which they had to accept at that time, to refinance their loans under the provisions of this bill or will they not be given this opportunity?

Mr. Olson: The Minister of Finance answered this question some months ago. He said that any bank loan which was made since the expiration of the former act on June 30 would receive the government guarantee.

Mr. Korchinski: There is only one other point I wish to make. It seems to me the minister is vague as to what the final rate will be. Can he tell us what the final rate will be? Is there a conflict among the banking fraternity, that is, the chartered banks, the near banks and so on, as to loans which would be available from other sources? Is this why we cannot arrive at a final determination of the formula? I am wondering whether this is where the trouble lies. If so, I repeat that the minister should simply deal with the banking fraternity at this stage. I realize that many of the credit unions are giving depositors a higher rate of interest, and this does make it difficult to bring them in. The only way we can do so is to raise the rates, and I do not think that is in the interests of the farming community.

• (4:40 p.m.)

While the intention of the bill may be good, since these things cannot be done overnight I suggest that the minister simply deal with the banking fraternity and see whether the other lending institutions can work out their problems to enable them to fit within the framework of the bill.

Mr. Olson: Mr. Chairman, we think there is room in this area for all of these various institutions to provide credit. I do not think there is any conflict.

Mr. Korchinski: Is there a conflict between the banks and the near banks?

Mr. Olson: Not that I know of.

Mr. Horner: Mr. Chairman, on the question of the near banks, would the minister say whether the Inspector General of Banks will have authority to examine the books of near banks which do not have a federal charter or licence to operate in a federal field?

Mr. Olson: Mr. Chairman, this ties in with the questions raised by the hon. member for Regina East, I think it was. This is the reason for designating those institutions that come within the act, as hon. members will see from clause 1, so that we do in fact have authority to make the kind of inspections that we need for proper administration of the act.

Mr. Horner: Mr. Chairman, I have a further question on this point. Am I to assume that only those financial institutions that have a federal charter will be designated as lending institutions under the act? To be more specific, would the treasury branches in the province of Alberta qualify under the act? They have no federal charter and operate solely within the province.

Mr. Olson: Mr. Chairman, we visualize that there would be institutions under both federal and provincial legislation, chartered under federal or provincial law, which could qualify.

Mr. Horner: Both of them could?

Mr. Olson: Yes.

Mr. Horner: Then I go one step further. Is the Inspector General of Banks to be given authority to investigate the provincial institutions that have a licence to operate within a province but have no licence to operate all across the country?

Mr. Olson: Mr. Chairman, the hon. gentleman has raised some problems of which we are aware. We do not believe that this officer has the authority to investigate provincial institutions chartered under provincial law. Obviously the hon. member is raising a problem that would have to be taken into account when these institutions are designated under the act. We do not know the final details involved here.

Mr. Horner: I have one further question. I should like to encourage the minister and the committee to get on with this bill, but this does amaze me. In view of the fact that the act expired three or four months ago, surely the minister or his department would have discussed inspection of non-federal institutions. If the minister wants to encompass these institutions within this act and guarantee up to 90 per cent of the smaller loans, surely we should know where we are going on this question. I am amazed that the minister and the Department of Finance have not gone into this question fully.

Mr. Pringle: Mr. Chairman, might I say a word on this point? It has been my privilege to deal and work with farmers and I have been engaged in the farming industry in Alberta for many years, as well as in British Columbia and other areas. Perhaps these fellows on the opposition side do not have to borrow any money, but my farmers have to and they have to find it where they can. The big problem that my farmers have had in the last few years is to find money, which is in short supply.

When these fellows opposite had the chance to run the show we got awfully short of money. They should not try to curtail the money supply but should try to loosen it up a little. I have even dealt with the provincial treasury branches in Alberta and found them quite satisfactory. What we need to do is to loosen up the money supply so that advantage can be taken of it.

I think this is an excellent bill. For the last few days I have heard suggestions that we should speed up its passage. My farmers want to borrow some money but it is obvious to me that the members of the opposition are slowing down passage of the legislation. Let us get ahead with it, Mr. Chairman.

Some hon. Members: Hear, hear.

Mr. Horner: Mr. Chairman, if hon. gentlemen opposite had as many brains as the noise they make is loud, then we might be able to proceed with this legislation. We on this side have urged the government to proceed with all haste. We believe we should have postponed the debate on postage stamps for a day so that we could get ahead with this legislation, but the government refused. We asked for unanimous consent of the house to proceed last Tuesday, but the government said no.

The hon. member for Fraser Valley East says that we have been holding up this legislation. The very point on which I tried to elicit information from the minister had to do with the treasury branches in Alberta which operate a very good banking system; I would be first to admit that. Yet the minister has not said that these branches would qualify under the act. He has not said that the Inspector General of Banks would be allowed to

investigate their books. Up to the present time, the only banks that qualify under the legislation are those which allow inspection by the Inspector General. It is my duty to the farmers in my constituency, as I see it, to make certain that every bank operating in my province qualifies under this legislation.

The minister has indicated that discussions in this regard will take place. I say to him and also to the Department of Finance that they have been lax in their duty if they have not already consulted the treasury branch of the province of Alberta and other credit unions.

If banks and near banks are to be included in this legislation, then there was nothing to stop the minister from standing in his place two or three days ago and informing the house that without a shadow of a doubt discussions have been held and inspection arrangements worked out in relation to provincial institutions. Instead, we have had secrecy. We have had covering up and all sorts of things.

Mr. Pringle: We have had too much opposition.

Mr. Horner: My hon. friend says there has been too much opposition. It is the duty of the government to present legislation to this house. It is the duty of the opposition on behalf of the country to ensure that the legislation will do what the government says it will. I and those on this side have done our best to assist the government in proceeding with this legislation, but it took us three days to get a statement on interest rates from the minister. Now today he tells us there may be two interest rates. A while ago I asked him what rate of interest would be set on loans to buy equipment and land, and he has yet to reply.

• (4:50 p.m.)

To my hon. friend in the rump to my right I say that money lent on land has been a key factor in bringing about today's inflated land prices. It is up to hon. members interested in agriculture to examine closely whether money lent on land may or may not inflate land prices. I may be wrong in interpreting the minister's remarks, but I gathered that the interest rate on money lent on land was to be higher than the interest rate on money lent on machinery. The direct opposite should be the case. The interest rate on money lent on land ought to be lower because land depreciation is not a key factor when one considers the risk involved. In other words, machinery depreciates rapidly, and I hope that hon. members in the rump realize that. For the past few years land has been increasing in value and therefore money lent on land ought to bear a lower interest rate than money lent on machinery.

An hon. Member: Right.

Mr. Horner: I know it is difficult for hon. members in the rump to know about these things, but I must say to the minister and to his assistant that there is no reason to prevent passage of this legislation before six o'clock if this committee is informed on the subject of interest rates. Are there to be two interest rates? Is the interest rate on money lent on land to be higher or lower than the interest rate on money lent on machinery?

Mr. Pringle: Sit down and listen.

Mr. Horner: Well, we have some gratuitous advice from the new leader of the rump.

Mr. Pringle: I think the hon. member—

The Deputy Chairman: Order, please.

Mr. Pringle: Mr. Chairman, I was about to say—

The Deputy Chairman: Order, please. Would the hon. member kindly resume his seat. The hon. member for Crowfoot has the floor.

Mr. Horner: I see that the would-be leader of the rump is being challenged for the leadership by the hon. member for Fraser Valley East. I suggest to both hon. members that if they were prepared to open their minds as they are prepared to open their mouths they might perhaps learn something. Hon. members are welcome to enter into the debate but not to lengthen it.

Some hon. Members: Oh, oh.

Mr. Horner: We are trying to elicit information so that the public and our constituents may be sure this legislation is being considered to the widest possible extent.

I notice the minister is trying to rise to his feet. I hope he wishes to clarify the question of interest rates because it ought to be clarified. He has left us in doubt about arrangements that have been made with lending institutions as to interest rates. Will they be determined on a territorial basis? Are they to fluctuate between banks?

Mr. Olson: The hon. member for Crowfoot asked several questions that I should like to answer. He talked about the risk involved with land vis-à-vis machinery. Under this government guarantee there is no risk on either type of loan because the money is guaranteed by the federal government.

Mr. Korchinski: The minister was not very clear about that.

Mr. Olson: Risk is not a factor. The only factor is time. The hon. member raised a point about money lent over a long term bearing interest at a slightly higher rate than money lent for a shorter term. He knows that that is so. I need not spell out to the hon. member the details of the performances and terms of various government bonds. He took that matter up so eloquently the other night himself. The hon. member also knows that so far as the federal government is concerned, government of Alberta treasury branches are extensions of the Alberta treasury. What authority do we have to inspect the provincial treasury? I am not sure that it is proper for us to consider guaranteeing loans that are made by the treasury of the province of Alberta. They can make their own guarantees. They are competent to do so.

Mr. Horner: In other words, loans by the treasury branches in Alberta will not be guaranteed under this act. Is that correct?

Mr. Olson: I think the hon. member can assume that.

Mr. Horner: I am very disappointed and I may say that many farmers in Alberta will also be disappointed.

Mr. Olson: I do not see what added value there would be to the government in guaranteeing loans that are part and parcel of the structure of the provincial government. They are completely guaranteed as far as that government is concerned.

The hon. member also raised the matter of credit unions. May I advise hon. member opposite that credit unions are now designated for student loans and that the program works very well.

[*Translation*]

Mr. Fortin: I should like to ask the minister for some details. In order to be understood, I will speak very slowly so as to make the simultaneous interpretation easier.

In the light of the statements he made the last few days, I should like to ask him first whether he is requesting the authority to sign agreements with private sources of credit; secondly, whether the house will have nothing more to say on this matter; thirdly, whether the government will be unable to guarantee approximately the requested interest rate or rates, and fourthly, whether he will be able to finance the operations of a public corporation which comes under the federal government.

[*English*]

Mr. Olson: Mr. Chairman, I believe one question the hon. member asked was whether we should guarantee credit emanating from private sources. To the extent that banks, credit unions, caisses populaires, and other similar institutions are private, compared with other institutions in the public sector, we shall be guaranteeing credit emanating from such private institutions. We will guarantee the repayment of loans that such institutions grant to private individuals.

If my hon. friend will look at clause 4 of the bill he will see that the guarantee is for 90 per cent on loans up to $125,000 with respect to the institutions mentioned there, 50 per cent for the next $125,000, up to $250,000, and 10 per cent on any amount that exceeds $250,000.

The other question my hon. friend asked was, I believe, what rates of interest will the government guarantee apply to. I have answered similar questions for quite a long time. We do not know precisely what that rate will be. We must pass the bill first so that the banks and other financial institutions will know exactly what is involved, and then we have provision for the governor in council to prescribe a rate after some discussions have been held.

Mr. Mazankowski: I wish to put two questions to the minister. I do not intend to hold up this bill in any way. In the provisions of the bill that pertain to classes of lenders, can the minister say specifically whether the Alberta treasury branches are to be included?

• (5:00 p.m.)

Second, could there not be some provision made to accommodate interest free deals so as to help both the farmers and the bankers? Take the case of a farmer who buys a combine this fall on an interest free basis, payment to become due on the first occasion he uses the machine. It might be ten months before he does so. Could there not be provision made in this legislation for the machine

to be classed as a new unit? As the situation stands now it gives rise to considerable frustration on the part of the banker, the dealer and the customer when the time comes for the actual loan to be made. While we are dealing with this legislation I believe we should reach a clearcut policy on this kind of transaction.

Mr. Olson: In answer to the first question, let me say I can see no purpose in the federal government guaranteeing loans made by the provincial treasury. A government entity has full control already and we certainly could not apply the same rules to the treasury of a province as we can to the institutions which are included here. This is the case simply because another government is involved. The hon. member understands very well the legal and practical implications attached to doing what he suggests.

So far as the second question is concerned, refinancing in the strictest sense is not permissible under this act. However, a good deal depends on the arrangements made between the farmer and the machine company, whether a deal was actually consummated on the day the down payment was made and so on.

Mr. Mazankowski: Does the minister not feel that this does not really involve refinancing, that the arrangement I have in mind is really a form of pre-delivery? After all, the machine concerned is still a new one.

Mr. Olson: I am fully aware of that. In fact, I made some comment about it yesterday. It is a question of the terms. If the machine involved is new and unused and if the farmer has made no payment on it, perhaps it can be said that a deal has not been made until a payment is forthcoming. Possibly the machine has been rented up to that point. Some bankers have been concerned about this question in connection with farm improvement loans lest some of these deals would be challenged legally on the ground that they did in fact involve refinancing of a note. But we are willing to look at this question and see whether we can make the kind of accommodation which will fit the practical situation which exists. I should not like, however, to give the hon. member an undertaking that this measure will make provision for refinancing, because to do so would raise a great many problems with which we do not wish this legislation to be involved.

Mr. Rose: In rising I should like to pay my respects to the hon. member for Fraser Valley East. He comes from the mystic east but was described as the hon. member for Fraser Valley.

The debate on this clause seems to have been limited to members of the Conservative party and members of the New Democratic party. To come to the point of my remarks, it seems to me we have been manoeuvred here into discussion of the formula for setting an interest rate, whereas what we are really concerned about in this bill, as in a number of others, is the proposal for flexibility which it contains at a time when something definite and concrete is surely needed. This observation applies equally to the other farm bills, to the fishermen's improvement loan legislation and the Veterans Land Act. From my limited knowledge of farming it would appear that what we need is not more flexibility but a greater amount of stability.

For one thing, we need market stability. A farm improvement loan could be taken out during a period when the adjusted interest rate was relatively high and have to be repaid during a time of poor market prospects with predictable foreclosure, and so on. The formula prescribed under the student loan legislation was the government of Canada bond yield plus 1 per cent. We have not been told by the minister what the formula is to be in this instance. The hon. gentleman has talked about it and around it, but we have been given no definite information at all apart from what he said in his preamble yesterday afternoon. I can find no definite assurance in the legislation itself that quarterly adjustments will in fact be made. It is true there is a brief reference to this in *Hansard*.

Another subject which concerns members in this corner of the house is the minister's power to designate certain financial institutions. We should like to know the criteria upon which financial institutions are deemed eligible for such ministerial acceptability. We are interested in this because in contrast to hon. members to my right we are interested in seeing the kind of institutions which are authorized to make these loans broadened so as to include, for example, caisses populaires and credit unions.

My final comment arises from clause 4 in which it is laid down that $900 million is the limit imposed upon the banking institutions whereas the limit placed on credit unions and other institutions is $300 million. Is this just an arbitrary limit or is there some reason behind these figures which show an obvious preference for the banks by three to one?

Again I say that the committee has found itself sidetracked on the question of whether the formula should be this or that, half a percentage point above the long term yield on government of Canada bonds, or something else. What we are interested in really is something different. The fact is that our farmers, students, fishermen and veterans need stability, not the kind of flexibility which will lead to instability. We are opposed to the abandonment of a fixed low interest rate. If the minister would answer some of my questions in this regard I would feel much happier about the bill as it now stands.

• (5:10 p.m.)

Mr. Olson: The question which the hon. member has raised is essentially the same as that which was raised by the hon. member for Regina East. He wants to know the criteria upon which the minister exercises his powers of designation. That is pretty well spelled out in the first clause of the bill where it mentions "bank" and the term "bank", as my hon. friend knows, is used throughout the bill. The interpretation is, "a bank incorporated under the Bank Act." Then there is mention of a credit union, of a corporation within the meaning of the Trust Companies Act, of a loan company within the meaning of the Loan Companies Act, and of an insurance company within the meaning of the Canadian and British Insurance Companies Act. These are the financial institutions that could be designated, but the bill does not say "or designated." It says "and designated." It is these companies that wish to participate in this kind of credit facility and have the guarantee made available to them that will make application to the Minister of Finance for designation. I think it is fairly clear what categories we are talking about.

Mr. Rose: The minister says that these various institutions may make application to the Minister of Finance. Under what conditions would the Minister of Finance agree that these institutions were acceptable? This is the detail of the question I am asking.

Mr. Olson: I really do not know the exact details of the question or, indeed, if there is very much involved in it. For example, I would think there would be no problem with all of the banks that have been in this business in the past. They would all be designated, and presumably also all the credit unions that are large enough to handle the kind of business envisaged here. There are many of those, although there are perhaps some small ones that could not make a contribution to this kind of lending.

The hon. member also asked why a certain maximum figure is guaranteed to the banks and a substantially lower figure to the other institutions. Up until a few months ago the banks handled all this business. There were no other insitutions involved. The sum of $300 million for the next three years seems to be a fairly large amount. I should not say it is generous because there is no generosity involved, but it is a big enough amount to see what is going to happen with these other institutions when they get involved in this kind of lending with a government guarantee. I feel fairly sure that the banks chartered under the Bank Act will be handling the majority of the business. As I say, up until a few months ago they handled all of it.

Mr. Schreyer: Mr. Chairman, I wish to speak briefly on a point raised by the hon. member for Crowfoot. I have never been a resident of Alberta but I have always had a good deal of approval if not affection, for the Alberta treasury branches. I think it is rather discriminatory on the part of the minister that he should exclude from this legislation a publicly owned money lending institution such as the Alberta treasury branch.

The minister did not say so definitely but he did reply to the hon. member for Crowfoot that one could assume that the Alberta treasury Branch would not be eligible to come under the provisions of this legislation. That is disappointing. The minister gave us to understand that there is some kind of constitutional problem in the government of Canada guaranteeing loans that might be made by a provincial public agency. Is there not some analogy with the arrangements that we have with respect to crop insurance? Crop insurance programs in the prairie provinces and in other provinces as well are arranged and administered by provincial agencies; yet under amending legislation passed two or three years ago they are allowed to re-insure them with the federal government. If it is possible to have that kind of an arrangement, a re-insurance by the province with the federal government against risk, why can we not have a similar arrangement with respect to a guarantee against risk in regard to money lending by financial institutions such as the Alberta treasury branches?

Mr. Olson: To my knowledge, and I have been trying to check this, there has never been an application by the Alberta treasury

branches for a federal government guarantee for this type of loan. Indeed, I do not think they would appreciate our trying to apply the rules to them that we apply to private financial institutions. I do not think the question arises at all that they would even want this kind of thing. If hon. gentlemen opposite know that the Alberta provincial treasury would like the federal government to guarantee their operations and inspect their books, according to what the hon. member for Crowfoot says, I would point out that they have never drawn that to our attention.

Mr. Horner: Is the minister saying that if they did make application they would qualify? Is this the interpretation that I can put on his remarks? He is saying they never have. I do not believe every credit union has applied.

Mr. Olson: That is right.

Mr. Horner: The treasury branches in Alberta are completely independent of the Alberta treasury. Their books and their bookkeeping are separate. The minister shakes his head but I am certain they do not operate out of the same treasury. If they did apply would they qualify?

Mr. Olson: Mr. Chairman, there is no doubt in my mind that the treasury branch service in Alberta does in fact operate a very good and useful service in those areas where it has branches, but for the hon. member to say they operate completely independent of the treasury just is not so. This is the only legal status on which they can provide that service, that they are in fact an extension of the treasury. Otherwise they would need a bank charter and they have not got one. I know that and I know that they know it.

The question of whether or not we offer to guarantee loans that are made by the treasury branches just does not come up because I do not think they are going to apply. I do not think they would want to be designated and subjected to the regulations that would qualify them for designation. The hon. member has mentioned that all credit unions did not apply. That is true but some of them from time to time have expressed interest, particularly in student loans. We are prepared to offer this service whether or not all of them accept it. There have been times in the past when credit unions have indicated a desire to lend money under the Farm Improvement Loans Act, but probably they have not done so recently considering the 5 per cent interest rate. That is why we need these amendments so that we can get not only the banks back into this business but also all other financial institutions that have experience in dealing with farm credit requirements.

Mr. Horner: Has there been any discussion between the minister or the Department of Finance and the head of the Alberta government treasury branches with regard to the feasibility of their coming under this legislation?

Mr. Olson: Not recently.

Mr. Horner: Then the minister is not very interested in one of the major banking institutions in Alberta. I would say without a shadow of doubt that the treasury branches in Alberta have served a real purpose. They offer real competition to the chartered banks. They have done a tremendously good job in providing loans for farm machinery without a guarantee. For the past 23 years the chartered banks have had a guarantee but in fact the treasury branches have moved in and, to use the word in its polite sense, have even stolen business from the chartered banks.

• (5:20 p.m.)

If discussions were carried on with the treasury branches I do not believe for one minute that they would not express an interest in a guarantee. I am very disappointed that the Minister of Agriculture has not prodded the Minister of Finance or his deputies to look at the feasibility of allowing greater competition in the banking field in the province of Alberta. I might add, that there has been plenty of competition with respect to loans for home builders and city developments. Farmers have recently taken advantage of the Industrial Development Bank, since its operations have been made available to them. The treasury branches were opened in the smaller communities where the farming industry does most of its borrowing. I am making this point. I can only say again that the Minister of Agriculture has not prodded the financial department of his government into attempting to make working arrangements with the treasury branches in Alberta.

Mr. Olson: I am sure the hon. member really does not altogether mean what he has said. Why would the federal government have guaranteed provincial government loans? We are trying to induce private institutions into providing this credit for farmers. My hon. friend knows very well that for a long period of time the treasury branches were, in fact,

providing loans of this type at 5 per cent without any federal government guarantee because they had the provincial government behind them. No federal government guarantee was needed. For a long time after the chartered banks moved their regular interest rate up to 6 per cent the treasury branches continued to lend money at 5 per cent.

I am convinced that the guarantee, or whatever you want to call it, of the province of Alberta standing behind these treasury branch agencies is sufficient. They could give exactly the kind of service they have given in the past whenever they wished to do so.

Mr. Thomson (Battleford-Kindersley): It seems to me, Mr. Chairman, that the minister is a little vague about the loan companies or associations that are going to be allowed to lend money under this measure. I am left with the definite impression that the minister does not seem very sure about this. I suggest to the government that when this measure is in force they think carefully about it. I should like to give an illustration. A short time ago, an insurance company in Ontario went bankrupt and this resulted in a messy situation. I believe some of the loans this company had made were farm loans. I certainly hope the government will check this type of corporation. Since the minister himself seems a little vague, I specifically want to warn the government about such a situation.

I am a little disturbed about the attitude of the government since it has introduced various measures under which interest rates are to be raised. I am disturbed particularly about the feeling of the backbenchers on the government side that you can borrow your way out of trouble. You can get by for a little while but you are like the fellow who fell out of a tenth storey window and who said when he passed the fifth floor, "I am all right so far". It is unfortunate that something has not been done to increase the volume of wheat sales or the prices of farm products, for this is where the basic problem really lies.

Since the government allowed interest rates to go up in other sectors of the economy I suppose they felt that the farm sector must also have higher interest rates. Things are tough all over, so they might as well be tough for the farmer. I should like to deal for a moment with the legislation. I understand that it is permissive legislation. Does this mean that the government will go hand in hand to the princes of finance to see what interest rate they are willing to accept? I am a little perturbed about this angle. I communicated with some managers of credit unions and managers of banks in my area to try to ascertain what the interest rate would be. I admit that I would be operating at the retail level, so to speak, and the minister would be in a more authoritative position to find out what the interest rate would be for loans of this nature.

The fact the minister seems to be unsure on this question disturbs me. We all know the interest rate is going to be a realistic one. People talk about realistic movies, and they mean you are going to see more. In this case, a realistic interest rate means the interest rate is going up. I am quite perturbed about this. The fact interest rates are going up in all sectors of the economy suggests that the government is in financial trouble and is attempting to do a little buck-passing. It is going to cost the farmers concerned quite a few bucks to pay higher interest rates. These farmers will have to be good managers to pay these higher interest rates or they are not going to be farming very long. This is the way I see it. We will be discussing the interest clause later so I shall make some comments at that time.

Mr. Schreyer: The minister may well be right when he suggests that the provincial administration in Alberta has shown no interest to date in having the treasury branches come under the provisions of this legislation. This is one thing, but surely it would seem logical to leave the option open to the province of Alberta and to those who administer the treasury branches to come under this legislation if they see fit or if they are persuaded to do so by the farmers of that province. I have the impression the minister really has it in mind to exclude them from participation in this legislation. I say it is an unnecessary kind of discrimination when one publicly owned lending institution is not mentioned in this provision. I feel that the idea of a public lending institution as set up in Alberta was one of the finest innovations of the late William Aberhart and Ernest Manning. I am surprised to learn that a former disciple of theirs appears to be so nonchalant about it.

Mr. Horner: Actually, Mr. Chairman, the Minister of Agriculture disappointed me when he said that the treasury branches in Alberta had not been consulted about this measure. He went on to say these institutions

were lending government money and the purpose of this measure was to lend private capital. I should like to assure him and the house that the treasury branches in Alberta do operate a great deal on private capital. In fact, for a number of years these branches paid a higher rate on deposits than any of the chartered banks.

When I read clause 1 I cannot find where the minister has made provision to consult the treasury branches in the years ahead. Therefore I should like to move the following amendment:

To add after the word "society", line 12 and before the word "that" in line 13, the words "and other financial institutions".

I fully understand that this amendment will not automatically bring in the treasury branches in the years ahead. However, I want to make certain that these banks which have served Alberta so well cannot be automatically excluded. The minister will not be able to say in a year or two that they do not qualify because of the way this provision was written.

• (5:30 p.m.)

By adding these simple words "and other financial institutions" we will make the measure broad enough so that, if after consultation with the Alberta provincial authorities they want to qualify and rearrange their bookkeeping to satisfy the Minister of Agriculture and the Minister of Finance, there will be provision in the act to do so and they will not have to come back to parliament in search of a special provision. These financial institutions have done an excellent job in attempting to serve the rural areas of Alberta.

With those remarks, Mr. Chairman, I move this amendment.

I encourage the Minister of Agriculture and his colleagues, and particularly the hon. member to my right who spoke about the need to provide money to farmers, to support this amendment. I am sure this extra competition in the province of Alberta would be welcomed by the farmer.

Mr. Gray: Mr. Chairman, I should like to speak to a point of order. I am wondering whether or not this amendment is in order inasmuch as it would appear to increase the possible financial obligations of the government. Perhaps Your Honour might give us some direction on whether an amendment of this type, not presented by the government, would be acceptable for the reason I have suggested.

Mr. Baldwin: Mr. Chairman, there might be some merit to the point raised by the parliamentary secretary except for the fact that paragraph (ii) of subclause (1) of clause 1 refers to "a credit union, caisse populaire or other co-operative credit society". This is an open-ended definition and it leaves it to the discretion of the minister. There are a great number of credit associations and credit unions which might qualify. I hardly think the addition of the words "and other financial institutions" would in any substantial or definitive way add to the financial responsibilities of the government. If there was a limitation in respect of chartered banks, or specifically described institutions which were limited in number, there might be something to be said for the objection, but the eligibility provided by paragraph (ii) is so wide that the objection is not one that should be taken seriously.

Mr. Horner: Mr. Chairman, if I understood the parliamentary secretary correctly, he questioned the legality of the amendment because it might result in an increased cost to the government. He must realize that there will be no additional cost unless other institutions apply and qualify. There is nothing to stop the Minister of Agriculture or any other member of the cabinet, for that matter, turning down an application. The amendment does not suggest that all applications must be accepted. It makes provision for application. I fail to see any validity in the argument of the parliamentary secretary that the amendment is out of order.

[*Translation*]

The Deputy Chairman: Order. I thank the honourable members for their enlightening comments, however, in my opinion, the amendment suggested by the honourable member for Crowfoot (Mr. Horner) goes beyond the terms of the resolution. In point of fact, the resolution preceding the bill under consideration appeared on the order paper of September 16, 1968, and read as follows:

That it is expedient to introduce a measure to amend the Farm Improvement Loans Act to provide for a further three-year loan period ending June 30, 1971; to substitute for the 5% rate of interest on guaranteed farm improvement loans made under the Act such rate or rates of interest as may be prescribed by the Governor in Council; to extend the purposes for which guaranteed loans may be made to include the purchase of land as an addition to an existing farm enterprise; to increase from $15,000 to $25,000 the maximum amount of any loan that may be made under the Act to a

borrower together with any amount owing in respect of other guaranteed farm improvement loans; to authorize the Minister of Finance to designate certain trust and loan companies and insurance companies and certain credit unions, caisse populaire and other co-operative credit societies as authorized lenders under the Act;

Therefore, for this reason, I declare the amendment unacceptable.

[*English*]

Mr. Horner: I beg your pardon, sir, I did not hear your final words. Did you say the amendment was out of order?

The Deputy Chairman: I ruled it out of order.

Mr. Horner: Mr. Chairman, I appeal your ruling to Mr. Speaker.

• (5:40 p.m.)

Mr. Speaker resumed the chair, and the deputy chairman of the committee made the following report:

Mr. Speaker, in committe of the whole on Bill C-111, the hon. member for Crowfoot (Mr. Horner) proposed an amendment to clause 1 of the bill as follows:

"To add after the word 'society', line 12, and before the word 'that' in line 13 the words 'and other financial institutions.' "

• (5:50 p.m.)

I ruled the proposed amendment out of order on the ground that it went beyond the provisions of the resolution preceding the bill in that the resolution listed specific institutions whereas the proposed amendment would include many institutions not covered by the resolution.

Mr. Baldwin: Mr. Speaker, my participation in the argument will be very brief. I refer you to the resolution which appears at page 36 of *Votes and Proceedings*. In describing the institutions which may be susceptible of being designated by the Minister of Finance for the purpose of sharing in the capacity to make loans pursuant to this act the following words appear:

—to authorize the Minister of Finance to designate certain trust and loan companies—

Then it goes on to deal with insurance companies and certain credit unions. If it had been the intention of the government to limit or restrict the class of institution that would be susceptible of receiving these guarantees, the government would and should have said so. When we come to examine the bill we find in clause 1 that loan and trust companies are carefully defined, and the meaning of "loan company" as set out in the resolution is very carefully limited. The government has that

right, but we are not compelled to look at the terms of the bill in order to decide whether or not that is so.

I submit to you, Mr. Speaker, that you are not compelled to look at the bill to decide what should be the rights of a member to move an amendment and still come within the four corners of the resolution. I suggest that the words "loan company" must be given their widest possible interpretation. There is a general rule, as Your Honour well knows, that if you are on the horns of a dilemma and entertain any reasonable doubt, the benefit of that doubt must be given to the legality of the amendment placed before the house. On that basis I would ask Your Honour to rule that the amendment is in order.

I summarize by saying that if in the resolution the government had seen fit to limit loan companies to the type of companies set out in clause 1, then the point of objection raised by the chairman would have been completely correct and we would have not only accepted it but in that light I am sure no one from this party, which religiously abides by all of the rules, would have moved an amendment. On that basis I ask you to rule that this amendment is in order.

Mr. Olson: Mr. Speaker, I will be very brief. The chairman of the committee ruled that the amendment exceeded the terms of the resolution. Quite obviously it does because the kinds of institutions, such as credit unions, caisses populaires and loan companies, were spelled out. I could go into a long explanation of why that limitation was placed there. It involves reasons other than the ones raised by the hon. member for Crowfoot who moved the amendment, but I will not do so because I agree that the limitation of the resolution does in fact preclude such an amendment.

Mr. Woolliams: Mr. Speaker, may I just add one more thought. I agree partly with the Minister of Agriculture. The legislation outlines certain financial institutions such as trust companies, loan companies, insurance companies and credit unions. and out of that group the minister can designate certain companies. But the chairman's ruling was that the amendment went outside the scope of the resolution.

It is my view that we are arguing about something that is quite simple because the minister can always designate the institutions, and all the hon. member for Crowfoot is adding to the clause are the words "and other

financial institutions". If the Minister of Finance did not want to have particular institutions included he would not designate them, and if the financial institutions did not want to be designated they could say they did not want to take part in this enterprise. So I do not think this would affect the bill very much. It may widen the provisions with reference to the kind of institutions the minister can choose. I overheard an hon. member over here say this might discriminate against the province of Alberta. I am sure the Minister of Agriculture, in his wisdom, would appreciate he is discriminating against the government controlled treasury branches in the province of Alberta.

An hon. Member: Shame.

Mr. Woolliams: There may be other institutions in the province of Quebec because in that province there are many kinds of credit unions. In view of the fact that the minister can always designate the financial institutions, and surely that was intended in the resolution, I would ask Your Honour to give my point serious consideration and upset the chairman's ruling.

Mr. Speaker put the question as follows:

The question before the house is an appeal to Mr. Speaker from a decision given by the chairman of the committee of the whole pursuant to section 4 of standing order 59.

In the committee of the whole on Bill No. C-111 the hon. member for Crowfoot proposed an amendment to clause 1 of the bill as follows:

"To add after the word 'society', line 12, and before the word 'that' in line 13 the words 'and other financial institutions' ".

The question is to determine whether the proposed words of the amendment go beyond the terms of the resolution. My view is that if the words proposed by the hon. member for Crowfoot by way of amendment do not enlarge the words "financial institutions" used in clause 1 of this bill, then the amendment is redundant and superfluous. If they seek to enlarge the terms of these words, then we have to determine whether the amendment is consistent with the detailed provisions of the resolution preceding the bill. In my view, when a resolution preceding a money bill sets out in detail the terms of the bill, as this one does, we have to be very cautious about amendments which might enlarge upon these terms.

I have to refer hon. members to citation 246 in the fourth edition of Beauchesne at page 207 subparagraph (3), which reads as follows in part:

The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the royal demand of recommendation is attached, must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of a charge, but also its objects, purposes, conditions and qualifications.

I suggest to hon. members, with respect, that the amendment proposed by the hon. member for Crowfoot does affect the conditions and qualifications set out in detail in the resolution approved by the house and preceding the bill.

For this reason I feel I have to sustain the decision of the learned and wise chairman of the committee of the whole.

And the house having resumed in committee:

On clause 1—*Bank.*

• (6:00 p.m.)

The Chairman: Order. House in committee of the whole on Bill No. C-111. It being six o'clock I do now leave the chair.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to provisional standing order 39A, to inform the house that the questions to be raised at the time of adjournment tonight are as follows: the hon. member for Selkirk (Mr. Schreyer)—Agriculture, biological effects on chickens of microwave tower radiation; the hon. member for Hillsborough (Mr. Macquarrie)—Communications, co-operation with France in space and satellite research.

It being six o'clock the house will now proceed to the consideration of private members' business as listed on today's order paper, namely private bills, public bills. As there are no private bills on today's order paper the house will proceed to the consideration of public bills.

CRIMINAL CODE

PROVISION FOR ACCESS TO PEOPLE LIVING ON COMPANY PROPERTY

Mr. David Orlikow (Winnipeg North) moved the second reading of Bill No. C-5, to amend the Criminal Code (company-censored housing).

He said: Mr. Speaker, I think it is obvious that it is public policy, both in the federal and provincial jurisdictions, that workers shall have the right to join trade unions and, having so joined and given proof as required under federal and provincial labour relations acts that the union represents a majority of the workers concerned, shall have the right to bargain collectively and in good faith with the management of the enterprise for whch they work.

The rights of workers to join unions have been spelled out in the Industrial Relations and Disputes Investigation Act and in various provincial labour relations acts. I want to quote a couple of sections from the federal act, the Industrial Relations and Disputes Investigation Act. Section 3 (1) provides:

> Every employee has the right to be a member of a trade union and to participate in the activities thereof.

Section 4 (1) provides:

> Subject to subsection (2), no employer or employers' organization, and no person acting on behalf of an employer or employers' organization, shall participate in or interfere with the formation or administration of a trade union, or contribute financial or other support to it.

The number of workers both in private industry and in government enterprises in the latter part of 1968 who belong to trade unions of various types amounts to approximately two million. Relationships between labour and management are, in my opinion, on the whole quite satisfactory. It is true that on occasion there are strikes. It is also true that many people think there are too many strikes. All I can say is that the number of days lost in the course of any year, even in the course of this year when there has been a relatively large number of strikes, is very small compared with the number of days lost because of unemployment, over which workers have no control, accidents on the job and sickness.

I think that this is the direction in which most Canadians have wanted labour-management relations to develop. Proof of that can be found in the fact that recently in this parliament we introduced legislation giving those who work for the federal government the same right to belong to a union, indeed to strike if they so desire, that workers in private industry have enjoyed for many years.

The reason for this bill, which essentially proposes a very simple amendment to the section in the Criminal Code dealing with trespassing, is that in certain sectors of our industrial society management has been less than ready to accept what I have indicated I believe to be the clear intent of parliament and the legislatures of Canada. I am referring to workers working in isolated areas, usually in the northern parts of Canada, who are engaged in the woods industry, the mining industry and the steel industry.

As far as I can tell, Mr. Speaker, in every province there have been instances where these workers have been forced, because they have no choice, to live in bunkhouses on company property, and the management has frequently exercised its right under the provisions of the section in the code dealing with trespassing to pick and choose who can and who cannot visit the workers in the company bunkhouses. I am sure the members of the house would be surprised to know that frequently managements have refused union organizers who wish to go on to company property, not to the work site but to visit the workers in their bunkhouses during their free time, access in order to speak to the workers. As a result, I suggest that the clear intent of the law has been violated by employers and management representatives.

I am sure the minister of forestry could tell us about many cases of this sort in the years when he was head of the Confederation of National Trade Unions in the province of Quebec, cases when he and other representatives of his union were forbidden access to various work sites in order to speak to workers there. I know that the hon. member for Skeena (Mr. Howard) could spend hours telling the members of this house of the difficulties encountered by union representatives when they wanted to organize workers at the Kitimat plant of the Aluminum Company of Canada. I know that in northern Ontario mining and lumber camps have been declared out of bounds to union organizers. In some instances the unions have had to hire a helicopter to fly in their organizers and members because they could not use company-owned roads.

There has also been a number of such cases in the province of Manitoba. A power plant was built for the hydroelectric system of Manitoba at a place called Kelsey. It took almost three years to build this plant and there were anywhere from 1,000 to 3,000 workers at the plant at any one time. Not until the plant was completed and turned over to Manitoba hydro were the construction unions able to talk to the workers at the plant and get them to become members of the union so that they could get certification and bargain collectively.

• (6:10 p.m.)

What has happened as a result of this practice? I have in my files sworn affidavits from workers to the effect that in a period of six months they worked more hours than most workers who put in a 40-hour week work in a whole year. I have sworn affidavits saying that these workers worked an average of 100 hours a week, for seven days a week, six months at a time, and that they sometimes worked from 24 to 36 hours at a time without a rest. Why did they do that, Mr. Speaker? Not because they wanted to but because management said, "If you do not work these hours under these conditions, you will be fired." I suggest that any union would immediately have prevented that kind of exploitation. Yet union members simply were not permitted to enter that site.

Similar situations exist in the city of Thompson at the International Nickel Company's site. Because that company controls several hundred square miles of property in the area and because it had control for about two years of the railway link extending from the Hudson Bay line to the site of the company operation, it told the Canadian National to whom it could sell tickets to come to the property and to whom it could not sell tickets.

What was the result? For almost three years union officials from all unions were prohibited from entering the site and talking to workers. As a member of the legislature I was told I could not go to Thompson and talk to some of my constituents working there about the working conditions they had to endure. When at last I was able to go I was told I could not stay overnight because the local town administrator would not allow strangers to camp or otherwise stay on the site overnight. Not until I told the local administrator that he was free to call the R.C.M.P., that he was free to charge me with trespass, that I was willing to appear before the magistrate and if a fine were imposed I would refuse to pay it and go to jail instead, not until then was there positive action. The company permitted me to visit the site but not to move around on it. I was told that the company would send to me anyone I wished to see. Of course I knew, the company knew, and the workers knew that anyone visiting me would lose his job the next day.

That kind of thing has been going on and will continue to go on as long as employers have the right to abuse the provision of the Criminal Code dealing with trespass. I propose in this bill to introduce a simple amendment that will permit those living in rented accommodation on private property to receive visitors they want to receive. Such visitors might include union organizers who might wish to discuss with workers the question of joining a union.

I do not suggest that workers must join unions. I only suggest that existing federal and provincial legislation spells out the right of workers to join unions if they so wish. If this amendment to the Criminal Code were to obtain passage through the house, a long standing abuse of a section in the Criminal Code would be ended.

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, as a new member rising for the first time in the house may I congratulate you sincerely on your appointment as permanent Speaker. It is obvious that Your Honour is especially well qualified for such a great task. I also congratulate Mr. Deputy Speaker on his appointment and compliment him for the fine manner in which he is carrying out his new responsibilities.

[*Translation*]

Mr. Speaker, I am very pleased to extend to you as well as to the Chairman of the committee of the whole my sincere congratulations.

[*English*]

The bill before the house today presents many problems. I suggest it creates more problems than it solves. In my opinion its effect would be to create confusion in a clear and concise section of the Criminal Code. The bill before the house seeks to amend section 41 of the code. Section 41, subsection 1, reads as follows:

> Every one who is in peaceable possession of a dwelling house or real property and every one lawfully assisting him or acting under his authority is justified in using force to prevent any person from trespassing on the dwelling house or real property, or to remove a trespasser therefrom, if he uses no more force than is necessary.

Subsection 2 reads:

> A trespasser who resists an attempt by a person who is in peaceable possession of a dwelling house or real property or a person lawfully assisting him or acting under his authority to prevent his entry or to remove him, shall be deemed to commit an assault without justification or provocation.

The amendment reads as follows:

> (3) Except where a landlord would be therein justified under a covenant with a tenant for quiet enjoyment, nothing in this section shall be deemed

to justify an employer in using force to prevent any person from having ingress to, regress over, or egress from a dwelling house or real property in or upon which the employer houses an employee or to remove any person therefrom.

In the first place, the pith and substance of section 41 of the Criminal Code is protection from trespassers and control of trespassers by any person who is in peaceable possession of a dwelling house or by any person lawfully assisting him or acting under his authority. In short, the code provides an extension of normal rights to those against whom a trespass is committed. It extends the law of assault to include a trespasser who resists eviction.

The bill before the house makes an unnecessary exception to this sound law which is sensibly worded and suitably phrased. The intervention of an amendment like this would confound the courts; it would bring upon them utter confusion. There is no reason to limit the rights of employers, as a class, in assisting in the ejectment of trespassers. Employers, like all other citizens, are bound to obey the civil law of landlord and tenant. That law is a provincial matter under section 92 of the British North America Act.

If this bill were passed the law would prohibit an employer from assisting an employee who sought his aid in ejecting a trespasser. Surely nothing could be more absurd. I recognize the humanitarian motive of the hon. member for Winnipeg North in moving this amendment and I have some sympathy for those who have the problems he spoke of. But to translate the hon. member's desires into an amendment to the Criminal Code would, in my submission, cause much expense to be incurred and frustration to be felt. Many innocent people would suffer. The courts would dismiss charges and this part of the Criminal Code, as amended, would be considered void because of uncertainty and ruled out of order. It would give rise to endless cases. The dockets of magistrates throughout Canada would include subjects such as this which would raise difficult problems of interpretation.

• (6:20 p.m.)

For example, the words "quiet enjoyment" have various meanings attached to them, but I have checked the Criminal Code and there is no definition of "quiet enjoyment" to be found in it. "Quiet enjoyment" is a term used in English common law, especially in real estate and landlord and tenant law. It has a long history, but I submit it has no relevancy in Quebec where landlord and tenant law is governed by the Civil Code and other statutes. A magistrate struggling with words which are not applicable to that province would be lost for a definition. They have no meaning in Quebec. The object of the Criminal Code is to standardize the law throughout the country, not the reverse.

I think the suggestion made by the hon. member for Winnipeg North is a humanitarian one and I do not quarrel with his thoughts and worth-while suggestions, but I submit the subject matter of his proposal ought properly to be placed before the legislatures of the various provinces.

At such a time in our constitutional development as the present enactment of a bill of this kind would invite the justifiable wrath of provincial legislatures. I am thinking in particular of the great province of Quebec. It would be considered an unwarranted invasion of a provincial sphere of legislation. In any event, it would probably be ruled out by any competent court as void for remoteness, or declared to be null and void for uncertainty.

Apart from the constitutional arguments against this bill, it appears to defeat its own purpose because it would prevent a helpful employer from assisting an employee to evict a trespasser. This could happen. It is not the case that employers and employees are always enemies. It is a notion which seems to be fostered by hon. members of this house who belong to the New Democratic party. But I can assure you, Mr. Speaker, that there are many happy and successful companies—I am thinking particularly of the Dominion Foundry and Steel Company in Hamilton—where relations between employees and management are extremely good and where there is no need to worry about interference with employees by employers, because they work in partnership. This is what we are striving for. We are not trying to isolate people by class groups and distinctions; nothing is further from the desire of this house, I am sure. I am also sure that the hon. member for Winnipeg North (Mr. Orlikow) did not realize the implications of his bill.

Mr. Woolliams: Oh, he is a fairly bright fellow.

Mr. Gibson: In the days when trespass is not an uncommon invasion of a citizen's rights, it is utterly unthinkable that such a garbled and incoherent amendment should be permitted to slip into the Criminal Code. The idea behind the bill is in the wrong context altogether and the bill itself is self-defeating.

It infringes on the employees' rights to have assistance from their own employer. Perhaps the bill itself is an example of the futility of careless words.

If this house were permitted during the private members' hour to spend one hour a week hearing speeches by six members of parliament lasting a maximum of ten minutes each on controversial subjects, I respectfully submit that a great deal of time would be saved, time which is now wasted, and that a more interesting debate would result. I suggest that rather than discuss bills of this nature in every private members' hour it would be better to allow more latitude for the discussion of current topics such as bilingualism and national unity, the procedural advancement of parliament from the outdated shackles of the past, or the thought behind the legislation which was under consideration earlier. If we were to proceed in this way I suggest that private members' hour would be far more interesting to hon. members and to the public and that the attendance in this house would increase.

Mr. Deputy Speaker: Perhaps the hon. member would like to return to the subject under discussion and make his suggestion to the procedural committee.

Mr. Gibson: I will take the hint. Bills such as the one before the house today lead us nowhere. Ideas such as this are stale and out of context, and discussion of them is a senseless waste of time. The taxpayers are not paying us to deal with a bill which will never get through and which was never intended to get through, such as the one before us today. I therefore wish to express my sincere desire that this measure be defeated as a verbose and badly phrased mixture of words and phrases which would only create complete chaos. There is an old saying that an Englishman's home is his castle. It is certainly true that an Englishman's home is his home, whether it be a rented apartment, a trailer, a house, a tent or hotel room. In each case the occupant is given some protection by the Criminal Code, and the only result of the passing of this bill would be to restrict those rights and freedoms which are so precious to us all.

So let us reject this bill and, once again, resist the trend to cut down the individual's right to be protected from trespass in the just society. Let us guard against relaxing the law of trespass, a word which has changing meanings from generation to generation. With eavesdropping devices mushrooming in our technological age should we not consider a wider definition of trespass to include unwarranted invasion of privacy? We cannot discuss this fully today in the context of this debate but I feel we should be constantly on our guard to protect the individual's right to justice in a free society.

In conclusion, Mr. Speaker, I hope you will permit a personal note. My father was a cabinet minister in the King and St. Laurent governments from 1940 to 1949.

Some hon. Members: Hear, hear.

Mr. Bell: Who was King?

Mr. Gibson: I hope you will permit me to say how proud I am to follow in his footsteps in this parliament.

Some hon. Members: Hear, hear.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I am glad to hear that my friends are behind me tonight because it always gives one a good deal of comfort when one is still unaccustomed to these matters.

I was very interested in the maiden speech of the hon. member for Hamilton-Wentworth (Mr. Gibson) and in the attitude he took toward these private bills. I think he will find after he has been here a while that private members' bills do provide an opportunity to express a point of view on things which are sometimes left undone by busy governments. In my experience very few private members' bills have passed the House of Commons, but many of them have greatly influenced public opinion and the attitude of the government of the day. Many changes have come about as a result of private members bringing in resolutions and bills. The hon. member said it was a waste of the taxpayers' money to discuss these measures. In the past we used to get a dinner break from six o'clock till eight. Now we sit until seven, so it really does not cost much more of the taxpayers' money. Members are paid the same salaries whether they stay here and listen to me or not, and I note that some have not stayed to listen.

• (6:30 p.m.)

What the hon. member for Winnipeg North is saying, in a nutshell, is this. Many large companies in Canada, particularly mining and lumber companies, own the land upon which the homes of their employees are built. As I gather from the hon. member's argument in proposing this bill, whether he lives in an

apartment or any other kind of home, every man believes his home is his castle. People who need employment with these big companies rent their homes on the employer's property, but they believe those homes are still their castles. The hon. member is complaining about the fact that companies have laid down certain rules and regulations which prevent union people who come on their property from visiting their employees in their homes, for the purpose of organizing unions.

I feel it is an inherent right of everybody to have any visitors he wishes in his home to discuss his personal and business problems, without interference from anyone else. That is an inherent right of every living Canadian. What the hon. member is saying, in a nutshell, is that section 41(1) and (2) of the code protects all but those who would be affected by this proposed measure. The hon. member for Winnipeg North (Mr. Orlikow) is really talking about a situation similar to that dealt with by the Supreme Court of Canada in the Eskimo case.

The hon. member says there is some discrimination with respect to property rights and the enjoyment of those rights in a case where a person working for a lumber company or a mining company has only one place to live, that is, in homes owned by the company. He is saying that if this is part of an employer-employee contract, then the employee should have the same rights as any other Canadian. With that I am in full accord.

Every man working in Canada has the right to strike and the right to arbitration. We have accepted that for a long time in Canada, and this party goes along with it; but I do believe we have come to a time in the industrial development of this nation when disruption in certain industries disrupts the whole economy of the country. That is why we were privileged in this house recently to have one of those love-in speeches by the Minister of Labour (Mr. Mackasey), when he expressed his affection for all members on all sides of the house, and regretted the departure of some in the last election. He went on to point out he had taken all necessary steps in reference to the two strikes on the Great Lakes that held up shipments of grain, and cost this nation our grain markets, as the Minister of Industry, Trade and Commerce (Mr. Pepin) admitted.

Dealing with the question of the right to strike and its effect on the economy, I have been rather surprised to see certain members of the N.D.P. from the province of Saskatchewan, who represent farm ridings, remaining so silent of late in reference to those problems which held up shipments of grain. It may be that they are interested in a very important by-election in B.C. and do not want to disrupt or interrupt the thinking of the working people there, upon whom they are relying for support.

Mr. Perrault: That is imputing motives.

Mr. Woolliams: I am not imputing motives; the fellow isn't in the House of Commons yet. I know your party appreciates having two leaders in the House of Commons; and now we have this third one, this rump leader, who is one of the greatest interrupters of all times. He is carrying on here as he did back among the rustics of the legislature of British Columbia. I believe that is why he has been placed at that end of the chamber.

Mr. Perrault: Away out west.

Mr. Woolliams: Away out west; that is right. But I want to hear what his position is, because I know that if it is left to him to talk until five minutes to seven it will be his job to talk out the bill.

Coming back to the bill itself, I support the amendment it proposes; I think it is good. Every man's home is his castle, and there is duress when an employer owns a man's home and prevents people coming to talk to him about union business or about organizing a union. The code lays down a pretty sound rule of law in reference to people in other circumstances. At page 87 of Crankshaw's Criminal Code of Canada, 1959 edition—I have checked it and there were no amendments so far as this section is concerned—it says:

> There is nothing to prevent a man, who has not been forbidden the premises, from knocking at another's door, but the moment he is told to leave and fails to do so he becomes a trespasser. In such a case, however, the occupier must first require the trespasser to depart before he can justify laying his hands on him for the purpose of removing him and even after refusal he can only justify such force as is necessary to effect his removal.

What the hon. member for Winnipeg North is really saying is that if some union president or organizer comes to an employee's home on the company's property, then the company police or officials say, "You can't visit him for that purpose." That seems to me a discrimination, as far as the right of enjoyment of quiet possession of property is concerned. I congratulate the hon. member upon

proposing this amendment because I think it is a good one. It is constitutionally sound. I hope we have a vote on it, and that it passes.

[*Translation*]

Mr. Herbert Breau (Gloucester): Mr. Speaker, I am pleased to take part in the debate on this bill, because I consider as important the future of this country and the relationship between employers and employees, and I think the substance of this bill deals with the relationship between employees and employers.

[*English*]

I agree with the hon. member for Winnipeg North (Mr. Orlikow) when he says that collective bargaining is a justified right of employees. I am not one of those who think it is a deterrent to society. It is true that we have had many strikes, some in industry and some in the public service, that have hurt the government and the public. But this serves to show the challenge in the field of industrial relations that lies before us in the years ahead.

We must not forget that collective bargaining preserves the rights of workers. An employer, usually a businessman, is interested in profits and higher productivity. He just may forget that his employees may not have the proper wages and conditions. I think it is essential that unions exist. I think it is also essential that union leaders and locals should be able to contact employees on the property of their employers. I will even suggest it would be practically acceptable for employers to encourage their employees to meet together on the employer's property.

[*Translation*]

Mr. Speaker, I admit that the collective association of employees is very important for our Canadian society. However, there is no need to go too far in giving rights to the labour unions, especially in the light of section 41 of the Criminal Code which reads as follows:

41. (1) Every one who is in peaceable possession of a dwelling house or real property and every one lawfully assisting him or acting under his authority is justified in using force to prevent any person from trespassing on the dwelling house or real property, or to remove a trespasser therefrom, if he uses no more force than is necessary.

(2) A trespasser who resists an attempt by a person who is in peaceable possession of a dwelling house or real property or a person lawfully assisting him or acting under his authority to prevent his entry or to remove him shall be deemed to commit an assault without justification or provocation.

Mr. Speaker, in dealing with this amendment, it is important to really understand the meaning of section 41 of the Criminal Code. We must keep in mind that, in carrying out this amendment, we open the door to anyone who wants to visit an employee on the employer's property. In fact, section 1 of the bill reads as follows:

—an employer in using force to prevent any person from having ingress to, regress over, or egress from a dwelling house or real property in or upon which the employer houses an employee—

It may happen that the property where the employer houses the employee is exactly on the site of the plant where mining operations or construction works are carried out. Now, the security factor and the employer's right to receive persons other than members of a trade union should be kept in mind. I wholly agree that union leaders may go and meet employees, especially in their apartment or in their bunk-house, as the hon. member for Winnipeg North (Mr. Orlikow) said, but it must be remembered that persons other than trade unionists may go to these places. It could be people who want to make a disturbance or make trouble for the company for reasons having nothing to do with collective associations.

That is why I cannot support this amendment, because it should deal specifically with trade unions or collective associations.

• (6:40 p.m.)

I believe I agree with the hon. member for Winnipeg North (Mr. Orlikow) that it is regrettable that an employee cannot receive a union leader on his employer's premises, especially when it has been proven that unions are indispensable to workers. However I feel this amendment does not specifically cover the point in connection with union leaders or union meetings on an employer's premises. I might be able to support the bill if it specifically covered the point, but this bill does not. One part of the bill reads:

—to justify an employer in using force to prevent any person from having ingress to, regress over, or egress from a dwelling house or real property—

This means that if an employer has a bunk-house right near the mill he will not be allowed to stop trespassers or people who may cause him trouble by entering on his property. I do not believe we would be justified in taking this position. For these reasons, I cannot support this bill.

Criminal Code

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, I am happy to have this opportunity to make a few remarks on Bill No. C-5.

I must nevertheless admit that after listening to the speech of the honourable member for Winnipeg North (Mr. Orlikow), who moved this amendment, my approach to this bill—and this is perhaps normal—has somewhat changed.

The honourable member for Winnipeg North dealt chiefly with trade union rights, which are actual rights. He spoke of cases where, for instance, heads of companies unjustly decided that certain friends of their employees were not to enter into the temporary dwelling place of those employees.

He also gave examples of trade union heads who wished to meet a group of employees but could not do so and, in order to get over the gates of the company property, had to hire a helicopter to reach their destination.

Obviously, as the representative of a riding where many workers slave all day at various jobs, I cannot contradict the principles of the member for Winnipeg North.

On the contrary, I can only approve them wholeheartedly and say that, with all the other members of the house, I shall spare no effort to improve the fate of our labourers, workers, and low-wage earners, of those who work not only day in and day out, but year in and year out, in very poor working conditions.

However, it seems to me that this amendment, designed to protect the rights of workers and employees—an amendment which is understandable in principle—should, in fact, have been applied to an act which I would prefer to be more explicit than section 41 of the Criminal Code dealing generally with the right of ownership, which is sacred to all Canadian citizens.

On reading the explanatory notes in the bill—which notes must have been prepared by the hon. member for Winnipeg North—I see we are not dealing with houses—and that is what I based my opinion on before coming here today—nor of modern housing rented to employees, but rather of rudimentary sleeping quarters where the companies or general contractors provide accommodation for their employees.

Those notes also indicate that the employees cannot have guests, as do people who live in ordinary rental units.

On the other hand, if I refer to subsections 1 and 2 of section 41 of the Criminal Code,

[Mr. Breau.]

which were quoted by two of the members who spoke before me, I realize that emphasis is placed on the expression or on the meaning of the word "landlord" on the one hand, and "tenant" on the other hand. Emphasis is also given the expression "quiet enjoyment" and, in addition, to "trespassing", or "trespasser" who, by resisting, is said to have committed an assault.

• (6:50 p.m.)

It seems to me that before understanding or trying to understand the amendment, an attempt must be made to understand the spirit of this section, the spirit of that act or those acts which protect the right of ownership in our country. On the basis of the letter of the act, and of what I believe to be the spirit of the act, I have come to the conclusion that the amendment intended to protect the worker should appear elsewhere in the Criminal Code.

When we speak of "trespasser" or "trespassing", to come back to the spirit of section 41, one thinks of someone who introduces himself somewhere without authorization. However, when one thinks of intrusion, one thinks of unwarranted intrusion into a society, a job or a place. We also know that, in Canada, no one, unless he has a special warrant, has the right to trespass on the property of a citizen without the latter's permission.

Therefore, as I said earlier, I was struck by the fact that the spirit of the law seems to place a certain emphasis on the fact of intrusion.

In the explanatory notes, it is written that these dormitories are not rented—

—in the ordinary way.

I am thinking of companies that build small shacks, small camps, which can be comfortable for a period of time in the right season, and which are not rented. The people who live in them are neither landlords nor tennants. The landlord is the company, the contractor.

I think that we should normally respect private ownership which is a basic principle in our Canadian policy and philosophy.

We should also consider the point of view of the landlord. Usually, on these camp sites, there are dangers of all kinds, abuses of all kinds, for humans.

The security aspect also has to be considered.

That is why, in most cases, as we all know, the owner of buildings, the contractor or the

company, enforce some rules so as to ensure order on their property.

Furthermore, it is normal also for the contractor, the owner or the company, while respecting the rights of the workers, to be concerned with work efficiency, a smooth operation and results.

There are also sanitary and welfare reasons, but I shall dispense with them.

There is also the principle concerning order. The contractor must enforce regulations so that general order may prevail on his properties.

I think now of certain facts which I have witnessed and even experienced in the Quebec area from where I come and especially in northern Quebec.

I remember how, a few years ago, all our fellow-citizens looked with interest at the huge construction sites at Labrieville; they were managed by a landlord who was the Quebec government. The government was also a contractor who had to respect the rights of the workers. When the Bersimis river dam was built, severe rules were applied. Just any Quebec or Canadian citizens, just anybody, was not allowed across the barrier, even along the 85-mile road connecting Forestville and Labrieville.

I also remember the campsites during the construction of the dam at Lac Cassé, somewhere in the same area, and all those clearing jobs that went on: clearing the land, the shores and the rivers, when the dam was built. The contractor built bunk-houses for a relatively short time, usually for the summer. Let me tell you that the rules have to be strict, and that order has to be maintained.

The same goes for logging contractors' campsites. Back home, in my area, every year we have several campsites which are really rudimentary bunk-houses. Those same camps are used by students, young people during the summer months when the weather is good, to do forestry work. When I read this bill, it brought to my mind those sites, that type of work.

But I also thought of the matter of jurisdiction, which is most important and which I do not feel clashes with the rights of workers and labourers. Does this not, I told myself, fall within provincial jurisdiction? I know full well that several provincial departments, of which those of Labour, Health, Forestry, prepared regulations and complied with special laws concerning the facilities in those camps, the protection of the worker and the labourer, and the condition of the bunk-houses of which mention is made in the explanatory notes.

There is something else everyone knows which I should like to mention here. When we speak of constitution, of jurisdiction, whether it be that of federal or provincial governments, we always think of the B.N.A. Act and of section 92 which stipulates that in every province, the legislature has the exclusive right to legislate in certain matters. Amongst others, I see that according to subsection 13 of section 92, "ownership and civil rights" fall within its jurisdiction. We are dealing here with criminal law, but in Quebec, as mentioned a while ago, special legislation applies relating to civil law.

[*English*]

Mr. Deputy Speaker: Order, please. The time for private members business has expired. If there is consent we will resume the business interrupted at six o'clock.

FARM IMPROVEMENT LOANS ACT

AMENDMENTS EXTENDING PERIOD, RESPECTING INTEREST RATES, ETC.

The house resumed consideration in committee of Bill No. C-111, to amend the Farm Improvement Loans Act—Mr. Olson (for Mr. Benson)—Mr. Faulkner in the chair.

The Chairman: As it is now seven o'clock I do now leave the chair.

At seven o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Burton: Mr. Chairman, I would like to make a few remarks with respect to clause 1 of this bill, and some of the discussion that has taken place so far on this clause. I found it of some interest to note the performance of the government and the attitude of the government in dealing with the legislation now before us. Some of us are rather new to this house and to the ways of the house, but I must say that we are not so new that we could not see the pattern of some of the things that have been done, and the approach that has been used in dealing with some of the questions raised in connection with farm credit legislation.

The performance of the government with regard to some of these questions has been

rather disappointing. I found it interesting that during the resolution stage the opposition were interested in a number of points with respect to the legislation to come, and we were told, "Let us get this resolution through, and then we will get to the bill and deal with all these things at that time." Then we came to second reading of the bill and virtually the same answer was given to our questions, "Let us give the bill second reading and get it into the committee stage, and then we will deal with some of these problems." Now we are at the committee stage and we are still asking questions and still have not the information we would like to have.

It may be that part of the reason we are not getting information with regard to matters in which we are interested is that the government simply does not know the answers. If the house was dealing with a completely new operation, a completely new bill, we could not expect the government to have all the administrative factors and details worked out, and we would have to allow them a little leeway to establish the operation. But in fact we have here an operation that has been in effect for some 23 years, namely since 1945, as the minister pointed out. It has been obvious since some time last winter that changes were required to the act and that amendments would be forthcoming, but it seems that a great many of the problems still have not been worked out.

After considerable prying the opposition has succeeded in getting some information from the government. If some government members are disturbed about the length of the debate on this question, I would simply note for them that if they had urged that more homework be done in the preparation of the bill, perhaps it would not be taking quite so long to deal with it. They should speak to the minister in this regard.

There has been a considerable amount of discussion with respect to the extension of the definition of the term "bank" which sets out those institutions which can qualify to act as lending agencies under this legislation. With respect to credit unions, caisses populaires, co-operative credit societies and trust and loan companies, the minister has indicated, if I understood him correctly, that all they would have to do would be to apply, and it would be just a matter of course for the minister to give the proper designation under which they could make loans under the act. I find this rather curious. Why should they not automatically qualify under the terms of this act rather than having to go through this little extra procedure, if there is no reason for doing it? It seems to me there is good reason for taking a very close look at some of these institutions before they are qualified as lending agencies. That is why I have already asked questions in respect of this legislation. I find that consultation with these institutions has been very limited. I gave an example of an institution where I am acquainted with some of the officials, who told me they had absolutely no knowledge of what was happening in respect of this program, and there had been no consultation with them.

The minister suggested to the hon. member for Crowfoot that if the Alberta treasury branch was interested in acting as a lending agency, they would make this desire known. I find this rather curious. If there is no opportunity for consultation, how can one deal adequately with the situation? I also asked the question as to what criteria would be used in designating whether an organization could act as a lending agency. I find there are really no criteria to be used. I suggested earlier—and I refer the minister to my remarks—some of the reasons why criteria are needed. I think it can be shown quite easily that some institutions would qualify very well, from a managerial standpoint, to act as lending agencies; but I seriously question whether this is the case with regard to some of the other lending organizations which may apply for qualification. This is a matter that the minister should be prepared to discuss further.

I asked, also, whether there was going to be any co-ordination or integration of the entire lending program to be carried out under this act. I asked what approach will be used and whether any policy framework will be set up by which the lending agencies will have to live. There was certainly no indication that this would be the case. I believe this is a deficiency in the legislation. This is a very real question. What are some of the new agencies going to do? They will certainly protect their own interests in lending money, and they really do not have much to worry about as a result of being able to operate under a government guarantee.

The hon. member for Mackenzie this afternoon raised a very valid point when he suggested that an individual might apply to the Farm Credit Corporation, be turned down in respect of an application for a loan, and then submit an application to one of these lending agencies and obtain the loan with a full government guarantee and backing. This is the

type of unco-ordinated program that I believe could have a serious effect upon the structure of the agricultural industry. Certainly I think this is a matter which has to concern hon. members in dealing with this bill.

• (8:10 p.m.)

Subclause (2) is in the area with which we are most concerned in this regard, the provision which extends the Farm Improvement Loans Act operations to land purchases where the purchases are an addition to an existing owner operated farm. The minister said, in answer to earlier inquiries by the hon. member for Saskatoon-Biggar, that it would be easier to handle these loans this way than through the Farm Credit Corporation. As the hon. member for Saskatoon-Biggar pointed out, it is no easier to handle such applications through one of the lending agencies. You have to deal with legal papers, and there are legal and appraisal costs, just the same as there would be for the Farm Credit Corporation. At the same time I think it would be acknowledged that there are some deficiencies in the Farm Credit Corporation Act in dealing with such applications at the present time. I would suggest to the minister, as I am sure has occurred to him, that these particular problems could very easily be remedied by making the necessary amendments to the Farm Credit Corporation Act when it comes up.

Possibly at first glance it may seem to some hon. members that the principle of extending the Farm Improvement Loans Act operations to land purchases is a good thing, but I would suggest that it raises some serious questions. First of all it undermines the Farm Credit Corporation operations, because that corporation has tried to deal with land transfers and with the development of farm units on a rational and economic basis. They may not have been successful in all cases, but nevertheless I think this has been the direction in which their policy and operations have pointed, and they are to be commended for what they have done in this regard. I suggest that the extension of the Farm Improvement Loans Act operations to land purchases will in effect nullify and counteract some of the good work that has been done by the Farm Credit Corporation in this regard.

I would also suggest that the extension of this particular feature of the act will result in more pressures on land prices, and I am sure hon. members realize some of the problems that this will create. It will also help those who are already better off, because I am quite sure it is obvious to hon. members that the economics involved for a person who is adding a parcel of land to an existing farm unit are far different from the economics involved for a person who is establishing a farm unit on his own. It will further speed the trend toward rural depopulation, where in many cases this cannot be justified.

So I think that we in this house have to be concerned with the future of the agricultural industry, and we have to take note of just where this is going to take agriculture and the people who are engaged in this industry. I think it will have detrimental effects on the industry, I think that the necessary provision for the addition to farms could be made through the Farm Credit Corporation Act, and that this could be done when that bill is under discussion a little later on in the session.

Therefore I would like to move the following amendment:

That clause 1 be amended by striking out subclause (2) thereof.

Subclause (2) is that portion of clause 1 which appears at the top of page two of the printed bill. I want to assure the committee that it is not my desire in moving this amendment in any way to deny farmers the opportunity of adding to their farm units, because I realize that this is a desirable thing to do; but I would suggest that rather than doing it under this particular act which will have the detrimental effects I have pointed out, we should do it by amending the Farm Credit Corporation Act. Therefore I commend this amendment to the members of the house.

Mr. Olson: Mr. Chairman, we would like to see this amendment defeated because we believe that including as an additional purpose of this act the purchase of small parcels of land within the terms that have been laid down in other clauses, such as the $25,000 maximum limit, in other words providing an additional $10,000 for land, is a very valuable improvement to the act. Therefore we would like to see the amendment defeated.

Mr. Woolliams: I wonder if the minister could explain what the new amendment is. I did not follow it, but I am sure the hon. minister did because he was so definite about it.

Mr. Olson: The amendment is really very simple. The hon. member moved that subclause (2) be struck from clause 1.

Mr. Woolliams: Did the hon. member not suggest that something be substituted therefor?

Mr. Olson: The effect of it would be to remove the provision in the new act which would allow the banks to make loans guaranteed by the government for the purchase of small parcels of land. So we do not accept it.

The Deputy Chairman: Is the house ready for the question?

Amendment (Mr. Burton) negatived: Yeas, 4; nays, 82.

The Deputy Chairman: I declare the amendment lost.

Clause agreed to.

On clause 2.

Mr. Horner: Mr. Chairman, I would like to say a word or two on clause 2. There has been a lengthy and very informative discussion on clause 1, and perhaps what could be said on clause 2 has already been said.

• (8:20 p.m.)

I am a little concerned about some aspects of clause 2, particularly in regard to interest rates. The new Bank Act and interest rates are now subject to competitive conditions. In the last six months or so we have seen the effect of competition on interest rates and general borrowings.

The treasury branches in Alberta have played a tremendous part, Mr. Chairman, in this aspect of competitive banking during the last few years. It seemed to me on reading the resolution that preceded the bill that the general intent of the minister was to widen the scope of lending institutions. If that was so, then I can only say I am disappointed that he excluded from the bill the treasury branches in the province of Alberta that played a prominent part in the maintenance of competitive banking in that province. I notice the Minister of Agriculture applauding that statement, which could perhaps be interpreted as complimentary to the treasury branches of Alberta. However, he is a little late clapping his hands now.

I have never been a particularly strong advocate of the Social Credit party to which he belonged, Mr. Chairman, but I would be the first to say that I am not so blind as to recognize good points made by those who have disagreed with me in the past. One of the best things that the present premier of the province of Alberta, and his predecessor, did for that province was to exhort the treasury branches in Alberta to be competitive with the banks.

I was also terribly disappointed earlier today to hear the minister say that in recent months there has been no consultation with these treasury branches that played a great part in financing farmers in rural Alberta. I was all the more disappointed that this hon. gentleman, who had crossed the aisle—had stepped across an imaginary line, so to speak—had changed so quickly. He has cast aside his old ideals for the prestige of being Minister of Agriculture. He has cast aside all those things he cared about, such as the farmers with whom he campaigned in past elections in the province of Alberta. I feel sorry, Mr. Chairman, for those farmers.

All through this debate, Mr. Chairman, we on this side have attempted to peg down a formula for the setting of interest rates in years ahead. The reason we were so dedicated in our attempt to have a formula written into the bill was because we have seen this great transition on the part of a man who campaigned across the country on behalf of the farmers and said that a rate of 2 per cent was all that was required to lend money.

The loan sharks, the trust companies, are the ones who have adopted Social Credit policies, Mr. Chairman. They have fed this idea of debt free money. They have said that they would provide money at low interest rates so that the farmers can finance their operations. The members in the rump have questioned the intelligence of those of us in the opposition. Yet we have seen this minister cast aside his cares, his plea for low interest rates for the farmers, and say, in effect, that we should give the Minister of Finance or the Liberal government the right to set whatever rate they feel is justified.

The minister shakes his head. In the House of Commons the other evening the Minister of Finance happened to be present and I asked him what a charter to a bank means. I asked him whether it meant anything. The Minister of Finance quoted a former governor of the Bank of Canada; and I, Mr. Chairman, should like also to quote what a former governor of the Bank of Canada said with regard to whether or not a charter to a bank is not, in effect, putting a bank into position similar to that of a public utility. This is what Mr. Coyne had to say when questioned very closely in the finance, trade and economic affairs

committee on March 3, 1966, as reported at page 92 of the committee report:

A bank certainly cannot make every decision from the point of view of immediate profits. It has to look to the future development of its business, to the welfare of its customers. A bank cannot prosper unless its customers prosper. It has to have regard, I would think, for the welfare of the area—

I am speaking here of areas engaged in agriculture.

—in which it operates; and certainly this would be more true of a regional bank than of a bank spread all over the country without attachment to any one particular place.

In other words, Mr. Chairman, this former governor told the bank that it should pay close attention to the segment of the economy and the area that it was serving, that it must do this in accepting its charter.

I have some reservation about the near banks, the trust companies. The act refers to loan companies; I was tempted to say "loan sharks" but I would not want to say anything that was not in the act itself. These loan companies are going to be able to qualify for the purposes of the act and will be able to lend money. I have no hesitation in including the treasury branches in Alberta because they have already served a particular segment of our economy. The minister can smile smugly about this.

Mr. Olson: He is ready to reply right now.

Mr. Horner: The minister has not really answered the question about the charter of a bank. I asked the Minister of Finance a few days ago what he believed a charter meant, and he said that a bank had to agree to whatever bank rate was set. In effect that was his answer.

Two nights ago in the house I said that the government is the seat of power. In our dealings with the banking institutions of this country we have been very scrupulous. We have prohibited the foreign ownership of a certain bank in this country solely because we wanted to assert that forever and a day the banks of Canada would work to the general advantage of Canadians. The Minister of Agriculture and the Minister of Finance say that the interest rates cannot be set too low or the banks would not lend money. They say their hands are tied, that they have to agree to the rate set by the banks.

• (8:30 p.m.)

I admit that my interest in this matter may be swayed by my personal interest in agriculture. I am a dedicated farmer and concerned about the desperate plight the industry faces today. Our difficult harvest has not aroused in me feelings of enthusiasm with regard to this bill. I am participating in the debate on a piece of legislation that seeks to hoist interest rates the agricultural industry must pay. I am not happy at that prospect, as some are on the government benches. They have been smiling all night.

An hon. Member: And laughing.

Mr. Horner: Banks must be told that their charters are privileges. Both Mr. James Coyne, the former governor of the Bank of Canada, and the inspector general of banks, have stated in committee that they consider banks to be quasi public utilities. If that is so, then I say that the government, which has the power, ought to say to the banks, "See that you co-operate whole-heartedly with the agricultural industry and make money available to it at the lowest possible rate of interest." Only then will our guarantee mean something. The minister nods his head. A couple of days ago he said that, so far as he was concerned, the government's guarantee to the banks meant that the farmers would have to pay 1 per cent less for their money. I then tried to learn from the Minister of Finance his conception of the meaning of a bank's charter, and whether banks were obligated to lend money at 1 per cent less than the going rate. I could not learn from him what he thought a charter meant to a bank. I could only conclude that he was in the hands of the banks.

An hon. Member: No.

Mr. Horner: He had pretty well accepted their ideas.

An hon. Member: Shame.

Mr. Horner: I would not say he was a pawn in the hands of the chartered banks, but if he was not, he came awfully close to that.

Some hon. Members: Oh, oh.

Mr. Horner: That is the impression he left. No doubt the Minister of Agriculture wants to say, "No, he was not." Perhaps we ought to hear from the parliamentary secretary to the Minister of Finance, because the Minister of Finance cannot be here. This is the end of the

week, and his day off. At the beginning of the week ministers responsible for financial matters are supposed to be in the house; the Minister of Agriculture is to be here at the end of the week. This cabinet operates on a three day basis. The Minister of Agriculture must know, as I know and as every farmer knows, that all across Canada, down to the remotest parts of Newfoundland, farmers put in seven days a week and 16 hours a day. Yet the Prime Minister had the gall to say that the Minister of Industry, Trade and Commerce, who speaks for the wheat board, can only be in this house for three days a week. That is enough of a week for him. Also the Minister of Agriculture can be here for only three days a week. If one dares to ask a question to do with the agricultural industry before the Minister of Agriculture is to be in the house the Prime Minister will stand up and say, "Surely this question can wait until tomorrow. The minister may be here tomorrow." I call that contempt of the agricultural industry.

Mr. Woolliams: Or of any other industry.

Mr. Horner: The government has on the order paper four pieces of legislation that will increase interest rates for farmers. None of this legislation spells out just how rates are to be increased. We have asked many questions; we have asked the minister if he has a formula; but he has just hedged and squirmed. We thought we had him pinned down once, when he said the rate would not be more than 1 per cent above the prime government borrowing rate. That is what he said three or four nights ago. But since then he has not been so confident. A little while ago he suggested that the interest rate would fluctuate quarterly, or that there might be two interest rates. I suppose one will be based on the rate paid on long term government borrowings, and the other on the short term borrowings. I do not know, and he has not told us.

We have tried to co-operate and to push this bill through as quickly as possible.

Some hon. Members: Oh, oh.

Mr. Horner: The other day we asked the government to bring forward as quickly as possible the Prairie Grain Advance Payments Act. I see the minister nods his head. And what are we to consider tomorrow? Estimates, and not agriculture.

Mr. Olson: We have some time left tonight.

[Mr. Horner.]

Mr. Horner: In so far as it lies within my power to do so, I shall do my best to see that the present bill passes tonight.

Some hon. Members: Oh, oh.

Mr. Horner: Oh, yes. I see hon. members agree with me completely. They are pounding their desks.

With that thought in mind I would move the following amendment:

That clause (2) at line 42 be amended by striking out the words after "at" and inserting the following:

"a rate of interest half of 1 per cent above the quarterly average of short term government borrowings, not to exceed 7 per cent per annum."

As will be seen, we realize that interest rates have risen steadily since the government took the lid off them. Let no one call us ultra conservative. If the amendment is accepted the interest rate will fluctuate to a maximum of 7 per cent, a full 2 per cent above the old interest rate set under this act. No one can say our party is not generous to banks. If the minister rejects our amendment he will be saying, "I am not too concerned about the agricultural industry."

The report of the Economic Council says that our agricultural industry must have capital. We have given full vent to our imagination in our amendment in trying to recompense banks adequately for agricultural loans. For this bill to have practical application the banks must be entitled to charge the high interest rates brought on since this government removed the old 6 per cent bank rate ceiling.

According to statistics and from what I have learned from the Bank of Canada, the present rate on 182-day bills is $6\frac{1}{4}$ per cent. That would mean that, under our amendment, the banks could charge a full $1\frac{3}{4}$ per cent more than they could charge when the act become null and void on June 30. The minister cannot therefore say that our amendment will not allow the bank to earn enough, and that therefore money will not be made available to agriculture.

He has sources of information not available to me. He knows what the banks want. He has talked to them, but he did not disclose that to us. He has talked to the financial institutions; he knows what they want. If he can stand up here and say that this amendment would, if adopted, bring about a higher rate of interest, then I would be the first to withdraw the amendment. We on this side

have felt that because of the recent about-face in connection with interest rates on the part of the minister we could not give him carte blanche in the absence of certain assurances. I tried to get an assurance from the Minister of Finance the other day, but I failed to draw him out. In the absence of any assurance from the minister or his colleague we felt we were obliged to place a ceiling on the amount which could be charged. We drew up this amendment carefully, bearing in mind that the ceiling ought to be set high enough to encourage the banks and other lending institutions to make loans to farmers.

• (8:40 p.m.)

I hope the minister will not take recourse to defensive arguments or points of order regarding the validity of the amendment. I hope he will deal with the question we have raised. As I say, if the interest rate he contemplates is lower than the one we suggest I shall be quick to withdraw the amendment and support the clause under review.

Mr. Olson: I wish to say that this amendment is unacceptable for a number of reasons. First of all, it would change the concept of having a prescribed rate, so that we could make arrangements with the banks and other institutions under which there would be maximum availability of credit to the people who want to use it.

Then there is the ambiguity as to what "short term" means. Does it mean 90-day treasury bills? Does it mean 180-day treasury bills? Does it relate to bonds which have been issued? The hon. member for Crowfoot knows very well that if he means 90-day treasury bill—

Mr. Horner: I should like to tell the minister I specifically referred to 180-day government bills. I referred specifically to these, and I believe I was speaking loudly enough for him to hear.

Mr. Olson: Well, with all respect to the intention of the hon. member, that is not what the amendment says. The amendment uses the phrase "short term" and we have no way of getting the hon. member's interpretation printed into the act, unless he puts down those words himself; and he has not done that.

Mr. Horner: Is the minister speaking on a point of order or is he making a reply to the speeches made on the amendment?

Mr. Olson: We are not questioning the good order—

Mr. Horner: Mr. Chairman, I rise on a point of order. I was not addressing the minister; I was addressing the Chair. Is the hon. gentleman speaking on a point of order or is he discussing the amendment itself?

The Deputy Chairman: I think the Chair should put the amendment, first, and then the Minister of Agriculture can take the floor. I might point out that the amendment contains a reference to the word "at". There is no "at" in line 42, but there is one at the end of line 41.

Mr. Olson: As I was saying, regardless of whether or not we can spell out the meaning of "short term" with enough precision, the government takes the position that we need a prescribed rate of simple interest, and that the amendment is therefore unacceptable.

I should like to say one or two words about the very long speech the hon. member made about the treasury branches in Alberta. I wonder whether he could take his tongue out of his cheek long enough to admit that he did not really mean what he was saying. The government of Alberta does not need any guarantee from the federal government of the nature referred to. It was just a red herring in the first place.

Mr. Horner: On a point of order. The hon. minister has imputed motives to me. I was not speaking with my tongue in my cheek. I was speaking with as much sincerity as anyone can address to this important subject. The minister can snigger all he likes. The government of Alberta asked for guarantees from the federal government in respect to crop insurance. I think my question was a legitimate one and the hon. gentleman should withdraw his suggestion.

Mr. Olson: There is no point of order involved there.

Mr. Horner: There certainly is. The minister imputed motives.

Mr. Olson: Well, if the remarks I made were offensive to the hon. member for Crowfoot I should like to withdraw them. Anyway, he tried to make a case out of the fact that we were not guaranteeing loans made by the provincial governments. He knows that neither Alberta nor any of the other provinces would want the federal government to take action which would affect their treasury

departments. The provinces have the right in law to set up their own branches of government, to conduct inspections and carry out the investigation of their own branches as thought necessary, without any assistance from the federal government. In spite of the fact that the act has been in existence since 1945, the treasury branch in Alberta has never applied to the federal government for guarantees. Indeed, even if these were offered I am sure they would not be accepted.

The hon. member also knows that the treasury branches can make these loans to farmers whenever they like. Under section 95 of the British North America Act the provincial governments have almost equal power as far as providing services to agriculture are concerned. In fact, they have made such services available. Not only Alberta but other provincial governments have done so in this field. I do not accept the argument that the province of Alberta wants the federal government to guarantee these loans to farmers. I can recall many times during the 'fifties and early 'sixties when the treasury branches did in fact make many loans to farmers for the purchase of equipment.

Mr. MacInnis (Cape Breton-East Richmond): That was in the free money days.

Mr. Olson: They lent it at 5 per cent when the chartered banks were charging 6 per cent on most of their loans. As I say, there is no need for this kind of guarantee and I do not think it would be appreciated by the province of Alberta.

• (8:50 p.m.)

Mr. Harkness: Mr. Chairman, so far I have taken no part in the debate on this measure but the remarks which the minister has just made, which I think were quibbing, concerning the difficulty in determining interest with respect to short term loans raised by the dominion government, have caused me to rise to my feet. There should be no difficulty whatever for the federal government to compute on a three month or six month basis the cost to it of short term money. That would be on three month and six month treasury bills. These are issued every week and, as I say, there should be no difficulty determining the rate of interest. From that point of view the amendment moved by the hon. member for Crowfoot is absolutely in order.

What concerns me more is that this clause gives a blank cheque to either the Minister of Finance or the cabinet, I do not know which, to set the interest rate at any figure he or they wish. The House of Commons has always been loath, indeed very chary, in giving blank cheques to the government in office. It is a bad practice to do so. It is particularly dangerous in view of the fact the present government is one which does not to any large extent represent the agricultural interests of the country. It is chiefly representative of urban areas. It is a government which has probably less consciousness of the needs of agriculture, and of what can be done to agriculture by acts of government, than any other government that has been in office in Canada.

The reason for that is not the fault of the government. The reason is that this is more and more becoming an urbanized country, and it so happens that the number of members on the government benches coming from rural areas is the smallest, percentagewise, of any government we have had in this country. That is one of the reasons why it is dangerous to put into the hands of the minister, or the government, the power to set these interest rates. And so, Mr. Chairman, in accordance with what has been past precedent so far as parliament is concerned, the government should not be given a blank cheque in this regard. Therefore there should be some saving provision such as the one provided in this amendment. If there is any real objection, and I do not think there can be, to placing the figure at one quarter per cent above the cost of short term money to the government, then a definite maximum should be stated, such as 7 per cent or something along that line.

Mr. Peters: Mr. Chairman, the amendment moved by the hon. member for Crowfoot is probably acceptable, except that I do not agree with the principle that the interest rate on farm loans should fluctuate with the general market interest rate. If farmers must receive assistance on the matter of the interest rate it should be through the form of subsidization.

Farm economy is so dependant on the borrowing of money that I believe we must think of this matter, not in terms of the banks and other lending institutions but in terms of the agricultural industry. Since this amending bill will cover borrowing for the acquisition of land it has a long term aspect, and for that reason we should be careful about freeing the interest rate and allowing it to fluctuate according to the market rate.

The provisions of the amendment suggesting a prime borrowing rate and establishing a ceiling are probably not unrealistic. The result would probably be more than we could expect from the banks if they were given a free rein. Previously I pointed out that on a total of $200 million provided for farm improvement loans our subsidization cost was something like $3 million, which is not much greater than the prime rate at which the government can borrow money.

The net effect of the amendment proposed by the hon. member will probably be the same as that arising from the government's proposal. For that reason, and since I am opposed to the idea of a fluctuating interest rate, I find his amendment unworthy of support.

Mr. Gray: Mr. Chairman, the hon. gentleman from Calgary South—

Mr. Harkness: Centre.

Mr. Gray: —from Calgary Centre asked whether the interest rate would be prescribed by the minister or by the governor in council. This is something which might more appropriately be dealt with on clause 5. The provisions of that clause will make it possible for the interest rate to be prescribed by regulation. That clause is an amendment to section 6 of the act which confers the power on the governor in council, on the recommendation of the minister, to make regulations covering a number of matters. If the appropriate amendment is carried it will mean that the governor in council, on the recommendation of the minister responsible for the act, will be able to prescribe the rate of interest payable by a borrower.

As the Minister of Agriculture has pointed out, it is intended to lay down a formula covering the various aspects that he touched on in his remarks the other day, a flexible formula that will make it possible for the banks to have a reasonable return and at the same time provide an incentive to them to make these important and necessary loans, that they are not making under the present interest rate. As the Minister of Agriculture has pointed out, if the house should adopt this bill as proposed by the government, farmers will be able to get loans of this type at lower interest rates than they are able to get them at now, and there will be greater availability of this necessary form of credit.

Let me conclude on the other point made by the hon. member for Calgary South—

Mr. Woolliams: Calgary Centre. Calgary South is your member.

Mr. Gray: That shows that there are a number of distinguished members in this house from Calgary. It is true that as a result of changes in population trends in this country, more and more members represent urban areas. I think it should be clear that on the government side of the house, and in the government portion of the other side of the house there are a number of very capable members representing the rural areas, not the least of which is of course is the Minister of Agriculture himself.

• (9:00 p.m.)

Mr. Horner: Put a flower in his teeth.

Mr. Gray: I think we should recognize, all of us, whether we represent rural areas, urban areas or both, it is our duty to legislate to the best of our ability in the interests of all the people in this country. We have this obligation whether we represent rural areas or urban areas. The hon. member for Crowfoot has an obligation to try to join in legislating in the best interests of the people in urban areas, and those of us who come from urban or semi-urban areas have a similar responsibility in respect of the people in the rural parts of this country.

We have often criticized in this house various forms of separatism in this country. Surely a form of separatism as nefarious as any other is one which attempts to divide Canadians in urban areas from rural areas.

Some hon. Members: Oh, oh.

Mr. Gray: We have an obligation, therefore, to support legislation of this type whether we come from the cities, towns, villages or farms in this country. We have an obligation to work together in the best interests of our country.

Mr. Woolliams: I wonder if the parliamentary secretary would answer this question? He has suggested the rate of interest would be a reasonable one. Suppose this measure were passed now, just as the government has drafted it, what would be the rate of interest charged to western farmers?

Mr. Whelan: How about the eastern farmers?

Mr. Gray: The hon. member for Essex makes a good point.

Mr. Woolliams: Well, answer the question.

Mr. Gray: I am answering the question. You may not want to hear the answer, and that is why you are interrupting. The Minister of Agriculture has already pointed out in detail that the formula is being worked out along the lines of the general principles he mentioned when he spoke the other day. Certainly this rate, to which I alluded as well, will be the one which is accepted as being proper—

Mr. Horner: By the banks.

Mr. Gray: —by all concerned.

Mr. Schreyer: May I ask a question? I should like to ask the parliamentary secretary if he was serious when he said the details are just being worked out. Does he mean that this legislation has been before us for three weeks, and the government is still working out the details?

Mr. Gray: I would say to the hon. member that I think he has added a meaning to the words I used which certainly was not intended. I was attempting, in making the answer, to say that the Minister of Agriculture felt he was not in a position to announce a definite formula on which the interest rate would be based. I did not intend my words to go any further than that.

Mr. Woolliams: He does not know the rate of interest, yet he talks with great verbosity.

Mr. McCleave: May I ask a simple question? Who is working out this rate of interest? Is it a computer, the just society, the government, or who?

Mr. Horner: The banks.

Mr. Skoberg: In rising to speak to the amendment, I should like to say that it is clear to me at this time the government is allowing the money markets to manipulate the rate of interest as they see fit. I believe a perfect example of this fact is exactly what was said a while ago, in the attempt to set one part of the country against the other. Agriculture is agriculture from one end of the nation to the other. There is no way the minister or his assistant can possibly distort that picture. We know very well that the economy must now have money poured into it.

I have reservations about the amendment before us because I am firmly convinced the interest rate should be pegged at 5 per cent, with subsidies in addition. However I realize that half a loaf is better than none. Surely this government will realize it is imperative that the people in this nation who need assistance receive that assistance. However, they cannot accept assistance when the interest rate attached to that assistance is left to the discretion of the governor in council. I suggest the government is remiss in its duty to the people of this country if they do not take immediate action to peg the interest at a rate the people of this country can afford.

I am sure the minister is aware of the fact that the farmers union has gone on record as indicating that the farmers are in urgent need for money at this time. However the letter states, and I am sure the minister received a copy of it, that the union is definitely against an open end interest rate. The amendment we have before us permits the interest rate to rise to 7 per cent under the guarantee. I am sure the young farmers in this country cannot make use of money borrowed at that rate.

The farmers cannot make use of loans that will have an open end interest rate. There has to be some provision for the young farmers of this country. So far as I am concerned, there has to be a three year interest free provision, if we expect our farm units to be able to work. We all know that good sales at a good price would be sufficient to remedy the situation. Right now these farmers cannot sell their grain and they must have money made available to them. We know very well, Mr. Chairman, if the bill before us is passed without amendment, then the rate of interest will constitute usury. I am positive this government will stand accused and convicted in the eyes of the entire nation including the entire agricultural population. I am in favour of the motion, but I feel the interest rate should be pegged at 5 per cent.

Mr. McKinley: Mr. Chairman, it appears quite obvious to me that the reason the minister is not prepared to announce the interest rate is that he knows the rate would not be acceptable to the opposition or to the agricultural community. Otherwise there is no reason the rate could not be announced at the moment.

Mr. Olson: Mr. Chairman, I have said many times that I was not hedging, I was not keeping any secrets. I do not know precisely what the optimum interest rate will be, but it has to be at a point at which the banks and other institutions will make credit available in a sufficiently large volume. I have said that over and over again.

Mr. Woolliams: May I ask a question?

Mr. Olson: I have just one other point. I cannot understand my friends in the official opposition opposing the wording of this provision, because in 1960 they did bring in the Small Businesses Loans Act, and they wrote into that bill at that time precisely the same wording that is here.

Mr. Skoreyko: That is a different thing.

Mr. Olson: If my hon. friend tells me the small businessmen in this country are not deserving of any consideration, then he is stating the opposite of what the opposition said.

Mr. Lundrigan: May I ask the minister a question?

Mr. Olson: You do not have the floor.

The Deputy Chairman: The minister has the floor.

Mr. Olson: When the opposition were introducing this concept into the Small Businesses Loans Act, they spoke about giving it the kind of flexibility that was needed. This is precisely what we are doing here, so I do not understand the objection to it now.

• (9:10 p.m.)

Mr. Lundrigan: Mr. Chairman, as a member who represents a fishing area on the east coast I do not profess to be an expert on farming operations. However, let me assure hon. members that we are interested in the affairs of the farmers in the western part of Canada. Surely the members representing western Canada will not agree to any legislation which precludes the establishment of an interest rate which is reasonable, and in accordance with the terms of this legislation.

My colleagues have said that unless the minister can come to some agreement respecting the rate of interest, or at least a formula for setting the maximum, this will not be acceptable to almost every member in this portion of the house. I endorse this feeling. In spite of my background and the location of my riding I am concerned about the farmers of western Canada. These people should be given some indication of the government's plan, and I think the minister should answer some of the questions asked.

Mr. Hales: Surely we cannot leave unexplained what the Minister of Agriculture has said about approved loan administration. Nor can we let go unquestioned, what he has said about the introduction of this farm improvement loans program which was introduced by the Conservative government in the 1960's. At that time the rate was fixed at 6 per cent. What we now face is an entirely different situation. The banks can now make these loans without a ceiling on interest. Surely we will find ourselves in a difficult situation, with the bankers on the one hand raising the interest rates and the farmers on the other hand unable to pay.

Let me say to the parliamentary secretary that the should talk with the people from the rural parts of this country and ask their support in approval of what the Minister of Agriculture is now trying to accomplish. I am sure that he would be supplied with information that is contrary to the information he apparently has in his possession. If he met with any bank manager in the area of the country I represent I am sure he would be told that this floating interest rate will create great difficulties, not only for the farmers but for the management of these financial institutions which will qualify under the provisions of this bill.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Chairman, I should like to take exception to the minister's recollection of what happened between 1958 and 1960 under the government of the Conservative party. At that time the minister of agriculture advocated many things this government, supported by the Liberal party, opposed. The government of today is supporting many of the things that members of the Liberal opposition of that day rejected.

Mr. Burton: Mr. Chairman, I want to tell the parliamentary secretary to the Minister of Finance that I come from a combined rural and urban constituency. Let me assure him that we do not need the assurance from the government to indicate that things are different, or that the situation is otherwise than as the people of the city of Regina realize about the farm situation in this country. These people want to see a prosperous farm community.

It is certain that the majority of the people in my constituency will support a low level interest rate for farmers, namely the 5 per cent level. We now have this proposal before us which will allow by legislation a higher interest level. This will allow an interest rate higher than the farmers are at this present time paying. The new rate will be much higher than the farmers can pay at the present time, in view of the returns they obtain on their produce.

farmers who operate on a small scale. This might be the situation at the present time; but surely no one will agree that as a result of the provisions of the government measure these farmers will be better off than they were under the old legislation. Surely no one believes that they will be able to obtain larger loans any easier than in the past, or before the government lifted the bank interest rate.

I found it very interesting to listen to the minister, who used as a basis of his contribution to this debate made by Hon. J. L. Isley who was then minister of finance. There was some suggestion that this measure would do as much for the farmer as the legislation which was passed in 1945. I do not know what more unorthodox source he could have chosen. Let us consider what has happened since 1945. What has happened to the interest rate on farm loans since that time, in spite of the prescribed rate in the act? What has taken place since then? The situation has become more serious and the problems have become more difficult. These must be taken into account.

The government seems to rely on a framework of our present monetary institutions with particular reference to the banks. There has been no consideration on the part of the government regarding the relationship between returns from agriculture and interest rates. There has been no suggestion that intermediate credit provided under this act could be provided by government funds. There has been no consideration or suggestion that we might introduce the element of subsidization to stabilize the agricultural capitalization. This has not been the basis of recent governmental moves. We must be sure there is enough money to provide for the continued and successful operation of the agricultural industry. This is a major need.

The minister has indicated that he has been negotiating with bankers and has been encountering difficulties. The question is whether the government is going to allow financial institutions to dictate their terms. Would it not strengthen the minister's hand if the provisions of this legislation were more specific? Then he could obtain a firm undertaking from the banks requiring them to abide by this legislation once it has been passed by this house.

Mr. McCleave: Mr. Chairman, I posed a question earlier and I should now like to pose it again. What is the proposed composition of the new interest rate that farmers will be charged under this legislation? This seems to be the guts of the issue. I am entitled, as a city boy—perhaps somewhat alarmed by this rural uprising—to know something about the mechanism to be adopted in this regard. Perhaps the people who advised the government on former occasions are the people who are advising them on this occasion; I do not know. But I think, as a courtesy to the house, that all of us are entitled to know on what basis the interest formula will be arrived at. The farmers of Canada are also entitled to know this. I think it is a simple request and I hope the minister will answer.

• (9:20 p.m.)

The Deputy Chairman: Is the committee ready for the question?

Mr. McCleave: Mr. Chairman, we want to know what factors will be used by the minister in setting this interest rate formula.

Mr. Olson: Mr. Chairman, I made a statement two or three days ago that spelled out in as much detail as is available the formula and criteria that will be used in establishing this interest rate. I think hon. members are missing the whole purpose of this bill. We had an act, until it expired on June 30, that set down a statutory 5 per cent limit.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Chairman, I rise on a point of order. My point of order arises from the statement just made by the Minister of Agriculture, who said that a few days ago he explained in detail, as best he could, the formula that will be used to establish this interest rate. But the parliamentary secretary to the Minister of Finance said a few minutes ago that the details were being worked out. Can these ministers not get together, and can we not get some straightforward information from the treasury benches?

Mr. Olson: Mr. Chairman, there is no point of order in what the hon. member has said. It may be a debatable point as to what the hon. member understood the parliamentary secretary and I to say. There are details, and there are other details.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Chairman, I rise on a further point of order. If I rise on a point of order, it is the duty of the Chairman to decide whether I am in order. I would remind hon. members that the Chair failed to call me to order, and it is not the minister's place to rise and say there was not any point of order.

Some hon. Members: Hear, hear.

The Deputy Chairman: Order. I now rule that the hon. member is out of order.

Some hon. Members: Hear, hear.

Mr. MacInnis (Cape Breton-East Richmond): I am glad to remind you of your duty, Mr. Chairman.

Mr. Olson: Mr. Chairman, the hon. member for Halifax asked what criteria would be used. I spelled it out in as much detail as I could the other night. As I said, we do not at this point have the exact amount that will be set down as the rate of interest under which the government guarantee will be made available. Hon. gentlemen opposite know that we had an act that had a statutory limit of 5 per cent in it. We had that act until June 30 this year. But long before the expiry of that act the banks stopped lending money.

Therefore, if we set down a fixed rate that is so low—let us say 5 per cent, if hon. gentlemen opposite want to use that figure—the act would be of no practical value because the banks demonstrated for several months that at the current rates of interest in the economy they are not willing to lend money at 5 per cent, even with a government guarantee.

The whole purpose of the exercise is to amend the act so that the governor in council will have the authority to prescribe from time to time what that interest rate will be, bearing in mind that it needs to be high enough so that it will be supported and funds will be made available by the lending institutions in sufficiently large quantities, yet low enough so that it is of benefit in the cost factors which affect our farmers, who even today are paying much higher rates than some percentage point above the term loans about which I have spoken.

Hon. gentlemen opposite know that this provision has been written into other acts, and those acts have worked. Therefore I fail to see the rationale of trying to make this interest rate hard and fast when they know that a rate of 6 per cent, 7 per cent, 9 per cent, and so on, unless it is made so high that it is not realistic, means that we will not be sure what the response will be from the people who have the funds. We want the optimum rate in this measure, and we need some flexibility in setting it.

Mr. Hees: Mr. Chairman, we want to know what formula the minister intends to use to work out the rate of interest that will be effective. He not only will not tell us the rate of interest, but he will not tell us the formula. He is trying to jam down our throats a piece of legislation that we, representing our constituents, have no right to agree to. This happened a number of years ago with another Liberal government when they refused to give us information to which we were entitled. That was the famous pipe line debate.

Some hon. Members: Oh, oh.

Mr. Hees: Yes, you bet your hat it was. Many of you were not here at the time, but I was. That was when Mr. Howe would not tell the Canadian people the implications of that bill and what Mr. Clint Murchison intended to do. That was the pipe line debate.

It did not take the Liberal party very long when in power to get back to the same arrogant attitude. The first time they once again have an over-all majority they are trying to jam legislation down the throats of the opposition. Just because they have a voting majority they have no right to try to do this. We as members of parliament have no right to accept a piece of legislation like this when the government will not tell us what kind of formula will be used. The minister could bring in any kind of interest rate and we would be accused by our constituents of having passed this bill and letting the government set an exorbitant interest rate. The minister knows that perfectly well. He cannot deny it, because he knows it is perfectly true.

We have a right to ask, on behalf of the farmers of this country, what formula will be used in working out the interest rate that farmers will have to pay. I say to the minister again, stand up in your place and tell us how you are going to work out this interest rate.

Some hon. Members: Hear, hear.

Mr. Olson: Mr. Chairman, if the government has no right to propose this kind of legislation, and parliament has no right to pass this kind of legislation, then all the exercise that the Conservative government went through with the Small Businesses Loans Act must have been out of order.

Some hon. Members: Hear, hear.

Mr. Harkness: That is a complete red herring.

Mr. Hees: Mr. Chairman, I say to the minister, tell us what information we refused to give at that time. Can the minister tell us that?

Some hon. Members: Oh, oh.

The Deputy Chairman: Order.

Mr. Olson: Mr. Chairman, I do not wish to do that and irritate hon. gentlemen opposite; but the fact is that under the Small Businesses Loans Act the government of that day asked for powers to be given the governor in council to set the terms and conditions under which loans could be made.

Mr. Hees: And we outlined the formula that we would use.

Some hon. Members: Oh, oh.

Mr. Olson: In 1964 the government came before this house asking for authority to make loans to students, and the rates there were to be flexible enough so that the governor in council could prescribe them from time to time.

Mr. Hees: But the formula that was to be used was announced.

Mr. Olson: The Farm Machinery Syndicates Credit Act has similar wording in it. That portion of the Farm Credit Corporation Act has been in operation for years. That portion of the loan above $20,000 under one part of the act, and above $27,500 under another part, is a flexible interest rate. That is really all we are asking. There are many precedents for it, but we want to be in a position to discuss this with the institutions. Surely hon. members do not want us to come here with laws which will force the banks or other institutions—

Some hon. Members: Yes, we do.

• (9:30 p.m.)

Mr. Olson: I know some of my friends over there might like those kinds of laws; but I do not think hon. members directly opposite would like such laws because that would be tantamount to confiscating the funds of the institutions, to telling them how much they should lend, to whom and for how much. I am not prepared to propose such legislation.

Mr. Moore: Since the minister told us he had some discussions with the institutions before the end of June, may I suggest that the government has had ample time to work on these details. If they have not, I would ask the minister whether he could tell us how much longer it would take to work out these details.

Mr. Olson: It will not take very long, once parliament has passed the legislation and has given us the necessary authority.

Mr. Nesbitt: Mr. Chairman, there is just one question I would like to put to the minister. All of us want to be helpful to him in seeking information, but I notice that a number of institutions mentioned in the legislation have raised their rates. In the last few days a number of farmers in my constituency have spoken to me, as well as farmers from other areas who are very concerned about this, because they feel that the rates are going up. It is a common practice—and this is certainly so in the province of Ontario—for credit unions, for instance, to charge 12 per cent on loans, and 1 per cent a month on the unpaid balance. This is what has caused suspicion among the farmers and uncertainty in many people's minds. Inasmuch as the minister and his colleagues will not give us the formula to allay these suspicions, I should like to ask the minister a very straightforward question: Would he tell us whether or not the interest rate on these loans is likely to rise as high as 10 or 12 per cent?

Mr. Olson: I do not think so; in fact, I am very sure it will not.

Mr. Hees: But the minister does not know.

Mr. Nesbitt: The minister did not answer my question. He said he does not think so. This is the kind of answer that worries people in the agricultural areas. That is why we want to have a formula. Can the minister give us a straight yes or no?

Mr. Olson: No.

Mr. Harkness: Mr. Chairman, if the Minister were to compare the provisions under this legislation, so far as setting down the rate of interest is concerned, with certain other acts which were brought in under the Conservative administration, he would be comparing oranges with turnips. The comparison would be invalid, because in that period and up to the time when the Liberal government came into office and changed the act some two years ago, there was an automatic ceiling on loans of 6 per cent. The provisions under the Small Loans Act were such that the governor in council could set the rate of interest, but the maximum rate he could set was 6 per cent. That provision is no longer applicable under this legislation. Now the rate of interest can go up as high as 10 or 12 per cent. I am surprised by the argument

advanced by the minister, that under the Bank Act, up to the time it was amended, there was an automatic ceiling of 6 per cent. This is a different situation altogether.

Mr. McCleave: Mr. Chairman, since I raised my original question a few minutes ago we have heard the minister's answer to a question put to him by the hon. member for Oxford in which the minister said the rate would not go up to 10 per cent. Therefore it seems to me the minister admitted that a formula does exist. Could we now ascertain from the minister with more exactitude what the formula for borrowing by our Canadian farmers would be? This is a request from a very reasonable person, a city boy somewhat cowed by these country problems, although I do have a farm area, now, which I did not have before.

I think I have a legitimate question. Could the minister tell us on what basis this formula is being arrived at, so that we could possibly pass this legislation in the next 22 minutes and go on to something else. The minister gives us very bland answers. First he waffled with regard to the question of the hon. member for Oxford, and then he said very definitely that the rate would not exceed 10 per cent. But we do not know on what basis he arrived at that answer, and I think we are entitled to know it. I have seen him moving 22 or 25 feet from his previous position in this chamber to where he is now, and I have also seen some changes in his economic ideas over every one of those 25 feet. But, political sparring aside, I hope he will give us an answer to what I regard as a basic question on the bill before us.

Mr. Olson: The hon. gentleman is entitled to as near an answer as I can give him. I am sorry, but I do not think he has read the explanation that I gave the other night. I said that I fully expected—and the Minister of Finance was here at that time—that we could perhaps under the government guarantee reduce the interest rate that farmers are paying on some of these loans. I know that on some of the loans the rate goes up to 10 per cent and over, but the average rate is substantially below 10 per cent, even now that farmers are borrowing without a government guarantee. What is more, we think it will be even more attractive with the government guarantee. Otherwise there is no purpose to the act. This is the only reason I could give a categorical answer that it will not be 10 per cent.

Mr. McCutcheon: Can I infer from the minister's remarks that the current interest rate is between 7 and 10 per cent?

Mr. Olson: This is not a guarantee. At any rate my hon. friend knows that there are various interest rates. A successful farmer with a good credit rating, who has made his payments to the bank on time—and there are many of them—and who has not borrowed more than was reasonable to meet the amortization, can receive favourable interest rates even now. But there are others under different conditions who pay substantially more. Therefore what we want to do is to set a guarantee at a rate somewhere below the average now, so that the banks will give the same rate to all customers who apply for it under the act.

Mr. McCutcheon: Mr. Chairman, would the minister answer the question of an ordinary country boy who is trying to get a look at this just society?

Mr. Olson: I am also an ordinary country boy and I do not know all the various interest rates that are being paid by farmers all over the country. If I were to tell hon. members, I would be only guessing. I know what the bank charges me, but I do not know whether it charges my neighbour any more, when there is no guarantee.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Chairman, I would like to correct the minister's impression with regard to previous legislation. He has already been corrected on the matter of small business loans. Now I would like to correct the very misguided impression he has with respect to student loans. Is the minister not aware that that legislation provided interest free loans for at least three and a half to four and a half years?

• (9:40 p.m.)

Mr. Olson: That is right. A student does not pay the interest. But my hon. friend knows that the government does.

Mr. MacInnis (Cape Breton-East Richmond): Why does the government not pay the farmers' interest, too?

Amendment (Mr. Horner) negatived: Yeas, 56; nays, 76.

The Deputy Chairman: I declare the amendment lost. Shall clause 2 carry?

Mr. Korchinski: Mr. Chairman, a lot of the arguments which have been advanced in support of the preceding amendment might satisfy me, but I am very disturbed that, for some

reason or other, the minister has stated, that the method to be used by the government in setting interest rates will be determined by the amount that is required. While I appreciate that this formula, or something like it, might be functional in the case of the Farm Credit Corporation, I cannot see its purpose here.

If the government is going to be wasteful and chooses in its stupidity to proceed with projects which are not in the interests of the country, then I think it should pay the penalty. For example, let me refer to the building of the arts centre in Ottawa. The contract was originally let for something under $15 million. Now we understand that the final cost will be of the order of $45 million. In this particular case the final cost has tripled.

If our farmers have to start paying high interest rates because of the stupidity of this government, then the government has the responsibility for setting an interest rate that is directly proportional to its own stupidity. There is no reason why an industry such as the farming industry should have to pay an interest rate that has been inflated as a result of the stupidity of the government. The government have chosen to embark upon such schemes as medicare, but just because they have to raise a bond issue to capitalize the expenditure I see no reason why the farming industry should be penalized. This is exactly what is going to happen, Mr. Chairman.

If the government spent its money wisely and cut back its expenditure, it would not have to raise so much money. As a result the rate of interest would not be so high. This seems to me to be logical. The government has been buying up spittoons or wastepaper baskets at something like $35 a piece. This sort of expenditure is not conducive to lower interest rates. At the whim of a minister, the farming economy is being made to suffer because of wasteful expenditure by various government departments.

I am going to be brief and sit down in a few minutes, Mr. Chairman, but we cannot vote for this measure. The minister has been talking about an interest rate of 10 per cent. I have had loans from the bank at less than 10 per cent, and I am not necessarily the best risk. The minister is trying to tell the country that the rate will have to be 9 or 10 per cent, and that if he is able to bring the rate down to 8 per cent then everything will be hunky-dory. It will not be hunky-dory with me and it will not be hunky-dory with the rest of the country.

[Mr. Korchinski.]

There is another way out, Mr. Chairman. The money lent over the years to our farmers has been repaid. I do not know how many times this has been said, but only one tenth of one per cent is the risk involved. These loans are repeat business. It is business that will increase. The farm machinery companies are increasing the price of their machinery, and that is a business that repeats itself over and over again. The government's guarantee about which so much is said must mean something.

• (9:50 p.m.)

Farmers are entitled to premium rates because little risk is involved in their loans. I do not know whether the minister knows the risk rate with respect to loans made to small businesses; I submit it must be higher than the risk rate involved in farm loans. Farm loans carry a nominal, almost non-existent risk rate of one tenth of one per cent. That is, very, very few loans are not paid back. Surely, considering the infinitesimal risk involved in $200 million worth of business, much of it repeat business, which the banks will enjoy, consideration ought to be given to making loans available at low interest rates. Accordingly I wish to move the following amendment. I move:

That in clause 2, paragraph (f), all the words after the word "prescribed" in line 42 be deleted and that the clause be amended by adding the following words:

"and such rates being not higher than those available to schools, hospitals, municipalities and other such institutions, and such charge for insurance as may be authorized by the regulations, was, by the terms of the loan, payable to the bank in respect of the loan as long as the borrower is not in default;"

Mr. Olson: I see no useful purpose in this amendment. The rate will not be higher than that available to schools, hospitals or municipalities.

Mr. Woolliams: But we do not know that.

Mr. Olson: My hon. friend knows that there are many different rates for schools in different parts of the country. It could well be, if the rate were tied to that available for schools and so on, that the farm rate would be higher than my hon. friend intended it to be. The amendment therefore is of no value and is superfluous.

Mr. Korchinski: If the rate is to be no higher than that charged with respect to schools, hospitals, municipalities and the like, there is no harm, surely, in adopting this

amendment. The rate would be within the confines set in the bill.

Some hon. Members: Question.

The Acting Chairman (Mr. Richard): Is the committee ready for the question?

Amendment (Mr. Korchinski) negatived: Yeas, 56; nays, 78.

The Acting Chairman (Mr. Richard): I declare the amendment lost.

Mr. Lundrigan: On a point of order, Mr. Chairman. I am reasonably certain that the hon. member for York North came in after the vote was called.

Some hon. Members: Oh, oh.

The Acting Chairman (Mr. Richard): I remind hon. members that no one is to come into the chamber after the question has been put. I am not aware that anybody broke the rules but I thank the hon. member for bringing this matter to my attention.

Some hon. Members: Hear, hear.

Mr. Horner: On a point of order, may I ask whether the President of the Privy Council would ask Mr. Speaker and the house for unanimous consent to sit for another half hour, so that this legislation may be passed. Tomorrow estimates are to be called and we want to pass this legislation. Since we have nearly finished with the contentious clause concerning interest rates, I am sure that the other four short clause could be disposed of hastily.

Mr. Macdonald (Rosedale): The hon. member took the words from my mouth. I think the proper procedure would be to rise, report progress and seek consent to continue sitting.

Mr. Monteith: Do not see the clock.

The Acting Speaker (Mr. Richard): Order, please. The time being ten o'clock it is my duty to rise, report progress and request leave to sit again at the next sitting of the house.

Mr. McIlraith: Or later this day.

Progress reported.

• (10:00 p.m.)

Mr. Macdonald (Rosedale): In the light of the remarks exchanged across the floor so recently, I wonder whether the house will agree to continue until 10.30 for the purpose of completing this legislation.

Mr. Baldwin: Perhaps some thought might be given by the house to continuing, not for half an hour but for an hour, with an order made that there then be put all questions necessary to complete this legislation, in all stages. The house might be prepared to do that.

Mr. Macdonald (Rosedale): I would be most agreeable to having an order made to that effect.

Mr. Speaker: Hon. members have heard the proposal of the hon. member for Peace River. Is it so ordered?

Some hon. Members: Agreed.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): I thought I would have the opportunity, before 10 o'clock, to make representations and express certain points of view on the bill. Consequently, I should like to call it 10 o'clock.

[*English*]

BUSINESS OF THE HOUSE

Mr. Baldwin: Before he goes, could the leader of the house give us some idea of the business for tomorrow? I know he did indicate it earlier, but in view of what has happened tonight perhaps he has had some change of mind.

Mr. Macdonald (Rosedale): The business is as indicated earlier.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the house under provisional standing order 39A deemed to have been moved.

AGRICULTURE—BIOLOGICAL EFFECTS ON CHICKENS OF MICROWAVE TOWER RADIATION

Mr. Ed Schreyer (Selkirk): The adjournment motion gives me a good opportunity to bring to the attention of the house and of the appropriate minister a subject matter which is quite serious in its implications. I know that publicity has recently gone out to the effect that I intend to raise the subject of microwave radiation energy and its possible biological effect on chickens. In fact, what is involved goes far beyond that. What is involved is an incomplete understanding on our part and on the part of our scientific

community of the full effects of microwave energy on plant and animal life in general.

I can begin, Mr. Speaker, by indicating that recently I received a petition from approximately 500 residents of an area in central Manitoba, stating that due to recent releases of information concerning the possible effects of radiation on humans, livestock and vegetation, they requested that a thorough on site investigation be made of all surrounding areas adjacent to microwave towers.

As I say, this was signed by just slightly less than 500 farmers, hatchery operators and poultry farm operators from a central area of Manitoba. A few days ago I addressed a letter to the Minister of Agriculture (Mr. Olson) bringing this petition and the concern expressed by these people to his attention, and giving him some slight background information on a particular case in point where the operator of one of the largest poultry farms in Manitoba, who had operated his farm with great success over a period of six or seven years, in late 1962 experienced very mysterious symptoms in his poultry flocks. All through the course of 1963 to 1966 inclusive these symptoms persisted. The minister is an experienced agriculturist and he must know something is drastic when feed conversion ratios are cut in half, when the mortality rate rises to 60 per cent in a flock of 10,000 to 15,000 birds, and when chickens and turkeys lose their feathers in a very obvious way.

All manner of experts were brought into the picture, including veterinarians from the central midwestern United States, from eastern Canada and western Canada, from the Department of Transport and from other government departments provincial and federal, and no one could give a diagnosis as to the probable cause. It was by a process of elimination that some of them suggested that perhaps there was some mysterious, if not mysterious at least unknown, relationship between the biological condition of these flocks of poultry and the presence of a microwave relay tower in the very near proximity of the farm.

From 1964 onward this particular poultry farm operator and others tried to solicit the advice of different government departments, at both the federal and provincial levels, and they really did not get very much co-operation. I hesitate to say this, but what is involved here may be on the frontier of human scientific knowledge and, because many of these people were reluctant to give any firm opinion, that poultry farm operator was left on his own to sink or swim.

The net result was that he was pushed into complete bankruptcy in the fall of 1966, and the role played by the Industrial Development Bank certainly left a great deal to be desired. It was prepared to take a $25,000 loss rather than get in and try to help this individual get all the support and advice necessary to cope with the problem.

I know the minister is going to get up and say, in his reassuring tone, that a grant has been given to the University of Manitoba. So it has, I understand—an initial grant of $3,-800. Mr. Speaker, that amount of money will hardly even begin to do an adequate job of research.

I may say that I have asked the opinion of experts, and we believe it would be much more helpful if a field study, rather than any laboratory experiment, were made. We would like on-site research under actual field conditions. We are given to understand that we are getting more and more information as we go along. This problem could result from a combination of factors, such as leakage from this microwave tower, improper instalation of some part or another, plus atmospheric conditions at the site. Without going into the technical details, I would urge the minister to take a personal interest in this case.

As I say, evidence would seem to indicate we are just on the frontiers of scientific knowledge in this respect. It would be a pity if the appropriate government departments did not bother to concern themselves a little more directly. I do not think—

Mr. Speaker: Order. The hon. member's time has expired.

• (10:10 p.m.)

Mr. Schreyer: May I just finish this sentence? I do not believe our society would want to be so callous as to leave an individual on his own in a situation where there is so much yet to be done.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the hon. member wrote to me several days ago and I answered his letter at that time. I outlined what the Department of Agriculture has done up to this time. With regard to the complaints of alleged biological effects on poultry by microwave power radiation, I may say that this was brought to our attention in the fall of 1967 by the president of the Manitoba farmers union. On inquiring into the matter, we were advised that these complaints had originally been

brought to the attention of the provincial authorities and the University of Manitoba, and that the university had already started an investigation into the possibility of adverse effects of microwave radiation.

Since an investigation was already under way by the University of Manitoba, it was decided that we should assist and support them, rather than undertake a separate study. We are assisting in obtaining information from other agencies studying the effects of microwave information on humans, animals and vegetation; and of contributing financial assistance toward the research studies being made by the universities on the effect of low levels of radiant energy on poultry. The dean of faculty of agriculture of the University of Manitoba has kept us fully informed There is no evidence to date to support the hypothesis that a microwave tower is responsible for unthriftiness or losses of agricultural plants or animals. The university, with our support, is continuing its investigation.

So far as the other allegation made by the hon. member is concerned, that we are on the frontiers of new information, and so on, I think there again we have to say no one can guarantee that some additional scientific discovery will not turn up some time that will give a positive diagnosis of the problem that this man is having with his poultry. Certainly we were doing everything within reason to attempt an analysis of the problem and, within the bounds of reasonableness, I think the government has done everything that could be expected of it. The same remark applies to the university, the provincial government and the federal government.

COMMUNICATIONS—CO-OPERATION WITH FRANCE IN SPACE AND SATELLITE RESEARCH

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, my question is an important one. I know we live in an electronic age, but I wanted to talk about communications. I have read, if not understood, Marshall McLuhan, and I realize the importance of the whole communications field. I thought perhaps the minister designate of communications might be here tonight. I realize the Secretary of State for External Affairs (Mr. Sharp) has to attend a committee meeting, which I just left, so I do not know who will be responding to this question.

I wonder whether there have not been important developments taking place with which this house is unfamiliar, and of which the country is unaware. It is for this reason I have been trying to ask questions on this subject matter for the last week or two. I have asked for a statement from the minister designate for communications, but so far on the records of this house we find little about telecommunications. We do however find considerable in the media. The Montreal *Star* for October 5 has an article by Robert Reford, under the date line of the United Nations, which reads:

> External Affairs Minister Mitchell Sharp proposed yesterday that Canada and France co-operate in the field of space research and technology, including satellite communications.
>
> Sharp made the proposal when he met here with French foreign minister Michel Debré. The two men spent nearly an hour together in a secluded corner of one of the delegates lounges after they had listened to the acting foreign minister of Czechoslovakia address the General Assembly.
>
> Debré took note of the proposal and said it would be considered by his government.
>
> They talked about three things: the implications of the Czech crisis, the Middle East and scientific co-operation in space research. The first two were general exchanges of views. The third was a specific Canadian proposal.

The article then continued:

> The space proposal was the unusual topic of their conversation. Obviously it represented the federal government's reaction to talk of a communications satellite to be operated jointly by France and Quebec.
>
> Sharp pointed out to Debré that there are many areas where Canada and France could help each. They include technical facilities, scientific research and technology.

I should like one of the ministers to tell us at least as much as was presumably told to Robert Reford.

Another interesting reference to the Paris press under the byline of Bernard Kaplan can be found in the Ottawa *Citizen* of October 8, 1968. Let me emphasize here that another minister has the responsibility for this, but I introduce it now as an indication of the increasing importance of this subject matter and the interest surrounding it. This article says:

> Thwarted on all these fronts, de Gaulle seems to be concentrating his thinned-out legions on pushing French culture on a worldwide scale.

I realize that this is not a governmental operation. The article continues:

> The first shot was sounded at the initial conference here of the international association of French speaking parliamentarians.

It then continues:

> But the evidence is that de Gaulle's intention is to make this body a major instrument for the advancement of French cultural politics.

Later in the article it is stated:

> The two main resolutions to pass called for the creation of an "international agency for cultural co-operation" among French speaking nations and "regions" and for a common front by French speaking governments in next year's international negotiations on control of telecommunications satellites.
>
> Both are matters of manifest concern to countries in whole or part French speaking.

The third and most important quote comes from the French press and was aired over the French networks on October 9 at 6 p.m. and again at 11 p.m. The text of this article, as translated, is as follows:

> A delegation of the Canadian government composed of personnel specialized in questions of equipping satellites is expected in France on October 15 according to authorized Canadian sources (sources canadiens autorisés). Composed of 7 members... In informed circles, special interest is taken in this announcement at a time when Canada has recently submitted to France a detailed proposition of co-operation in the field of space research.
>
> This proposition, Canadian sources report, was given by Mr. Mitchell Sharp, Secretary of State for External Affairs, to Mr. Michel Debré, foreign affairs minister, at the time of the interview they held last week end in New York at the United Nations.

I do not want to exacerbate the minister's difficulty, but I should like to caution him about secrecy. There should be some indication of Canada's actions in respect of this and we should have learned something regarding the NORAD role which was renewed without parliamentary discussions.

Let us not have any further contributions to the public disquiet in this very sensitive field. If these people are leaving for France, where are they? Are they technicians? Are they experts in intercommunication? Are they in electronics, and are they from one or several departments? What is the purpose of their visit, and what are their terms of reference? In what other countries have proposals been made for co-operation in this telecommunications field? What liaison has there been with provincial governments which have revealed both an interest and expertise in this highly complex but tremendously important field?

Surely we all realize that there is a tremendous public interest in what Canada is doing abroad this day, this week and a week from now? It should not be difficult to realize the sensitivity of the interests of the Canadian public. We would like to know what governments are doing, and what commitments are being made. How ironic it is that on the very issue of rapid electronic communications advances the government should be so uncommunicative. I ask that in respect of this tremendously important matter the government should communicate.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, my response is really one of procedure rather than of substance. The hon. member knows that the Secretary of State for External Affairs (Mr. Sharp) has taken an active part in these discussions. The hon. member has talked about other questions to which the minister has provided, answers, but the hon. member refuses to accept them. I would only say that if the hon. member had really been seeking information, I presume he would have been agreeable to putting this over until Tuesday. I regret that he did not have the courtesy to do so.

• (10:20 p.m.)

Mr. Macquarrie: Mr. Speaker, may I, on a question of privilege, refute the implications of poor manners and remind the hon. gentleman that just minutes ago the minister advised me of his predicament. He could easily have let me know before. And surely there are enough acting ministers and parliamentary secretaries to deal with this matter. I do not like this charge of poor manners.

Mr. Macdonald (Rosedale): Mr. Speaker, the hon. member knows very well that the minister was appearing before the committee.

Mr. Macquarrie: So was I.

Mr. Speaker: Order, please. I must remind the minister, as I have other hon. members in the past, that it is not according to the rules to impute improper motives.

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

APPENDIX

ADDRESS TO UNITED NATIONS BY EXTERNAL AFFAIRS MINISTER

Mr. President,

Your election to the office of the presidency of this assembly is fitting testimony to the esteem in which you are held at the United Nations. I know you will take a worthy place amongst those distinguished representatives of member states from Latin America who have presided over our debates from time to time during the past twenty three years. Indeed, your election reminds us once again how much the United Nations owes its accomplishments to the dedication, eloquence and concern for principle of the delegates who have represented the founding member states from Latin America.

My country too has made special efforts since 1945 to implement the principles of the charter and to nurture the growth of this organization. Speaking in this assembly for the first time as the representative of a new Canadian government I wish to reaffirm Canada's determination to do all it can to support these principles. It is our aim to help to achieve a better world by strengthening the United Nations and its agencies as indispensable instruments for international co-operation.

Canada's contribution will be pragmatic and realistic. It will be based on our assessment of what the situation requires the United Nations to do and what Canada can best do in the fulfilment of its responsibilities as a faithful member of the United Nations. In matters of peace and war there are limits on the kinds of agreement likely to be reached. Member states however must work towards strengthening the authority of the organization. Success will come slowly. Some would use this forum for the ends of propaganda alone. Others sincerely expect the assembly to act as a quasi-government or legislature. Our yardstick ought to be the capacity of the United Nations to perform the functions which are its proper responsibility and on which there can be at any time a reasonable measure of agreement.

Canada's experience has led us to value our independence while recognizing the interdependence of all states in the modern world; to prize political diversity and cultural freedom; to cherish pride of country but to mistrust chauvinistic dogmas; to adapt but not to overthrow the traditions we have inherited from others; to govern by consent. We believe it is possible, indeed essential, to reconcile the affinities of geography and history and the close associations they imply with the universal concepts set out in the charter of equal rights, territorial integrity and political independence.

It follows that we cannot accept that a community of interest, real or alleged, political, cultural or economic, entitles one country to take upon itself the right to interfere in the internal affairs of another. In the commonwealth of nations to which we belong the right of national self-determination is so taken for granted that member countries are free to develop ties with any other countries, including socialist countries.

CZECHOSLOVAKIA

Above all, no international order can be founded or can exist on the self appointed right of any government or group of governments to impose their policies on other sovereign states by force. The invasion of Czechoslovakia by the Soviet union and some of its allies was nothing more than the assertion of a proprietary right of a great power to exercise domination over eastern Europe under the guise of a "fraternal" ideological relationship. It was naked power politics without regard to the charter of the United Nations. Have the governments of the USSR and its allies forgotten that less than two years ago this assembly by a vote of 109 to none declared:

> No state has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other states. Consequently, armed intervention and all other forms of interference or attempted threats against the personality of the state or against its political, economic and cultural elements, are condemned.

Although we are bound to take note of the wishes of the government of Czechoslovakia that the Security Council refrain from further action at this time, the council quite rightly remains seized of this question, which has profound implications for the independence and sovereignty of all member states. The concern of members of the United Nations for Czechoslovakia, its leaders and its people will inevitably continue until the soil of that country is once again free of foreign troops.

We must also be aware of the danger to peace in Europe arising from recent charges levelled by the Soviet union against the Federal German Republic and the evocation of an alleged unilateral right of intervention in yet another country. In the view of Canada, no such right exists.

While condemning the Soviet union and its allies for what they have done we must be ready to seize every opportunity for serious and constructive discussion of the issues that divide east and west. So long as Soviet troops remain on Czechoslovakian territory the progress of such discussions will of necessity be slow and cautious. But there is one area in which we must press on. Negotiations to end the arms race should be pursued vigorously. Progress on this front will benefit all nations, including Czechoslovakia.

THE ARMS RACE

Canada, and no doubt a great majority of members of the United Nations, was heartened by the announcement of the United States and the Soveit union on July 1 of their agreement to begin negotiations on the limitation of strategic nuclear weapons including anti-ballistic missiles. I urge the United States and the Soviet union to begin these talks without delay and to support the early resumption of negotiations in the eighteen nation disarmament committee on a comprehensive test ban, a halt in the production of fissionable material for military purposes and the reduction and subsequent elimination of nuclear stockpiles.

Since we last met, the treaty on the non-proliferation of nuclear weapons was opened for signature and has been signed by some 80 countries. Canada has signed the treaty and in due course intends to ratify it. All countries should help to realize the treaty's full potential by acceding to it soon.

The continued use of force in international disputes and the incalculable human suffering caused by war have drawn attention to the part played by the traffic in conventional arms in contributing to the conditions which lead to outbreaks of violence. In the days of the League of Nations, efforts were made to impose some restraints on the arms traffic by publicizing statistics about weapons and other types of armaments transferred between states. In our view, the concept of an international register of arms transfers should be revived.

My government is interested, too, in the possibility of limiting supplies of armaments in regions of acute political and military confrontation and has noted with approval the recent indication that under certain conditions, the USSR favours "the implementation of measures for regional disarmament and reduction of armaments in various parts of the world, including the Middle East."

NIGERIA

Next to the fear of war which I have so far been discussing in its various current aspects, we are all keenly aware that hunger and serious privation are issues which, especially when they reach disastrous proportions, cannot be ignored in this body. The Secretary General recognized this point when he drew to our attention the situation in Nigeria in the introduction in his annual report.

The Canadian delegation acknowledges and fully understands the request of the Organization of African Unity that governments abstain from any action which might impair the unity, territorial integrity and peace of Nigeria. We are also aware and appreciative of the efforts made by the government of Nigeria and many other governments to deal with the humanitarian issues. We trust that such efforts will expand in keeping with the requirements of the situation. In the face of the human tragedy which has unfolded before our eyes, it is only natural that people everywhere should feel deep sympathy for the Nigerian people and be anxious that no international effort be spared to come to the help of those in need.

Because of our sympathy and concern for the Nigerian people, the Canadian government is providing Hercules aircraft with crews and has allocated over one million dollars for relief supplies for Nigeria through the International Red Cross, whose invaluable service on this occasion, despite the difficulties arising from civil war, has given us grounds for admiration. In addition, Canadian voluntary agencies have made substantial contributions. My government also agreed, at the request of the government of Nigeria, to participate in the International team which has been observing the situation in the territories of the eastern region where federal government authority has been restored, and whose continuing reports will give an impartial account of what is happening. The reports should be as full and detailed as possible in order to serve their intended purpose.

We do not yet know the full dimensions of the problems of immediate relief which may

be required, still less the extent of reconstruction which will face the people of Nigeria when peace, we hope, is mercifully and quckly restored. We do know that these problems will call for international co-operation and assistance on a substantial scale. Canada stands ready to play a full part.

THE MIDDLE EAST

In the Middle East, continuing tension and sporadic fighting between Israel and its neighbours sow the seeds of future conflict. There is a danger that the escalation of violence in the Middle East could involve outside powers and thus constitute a grave threat to world peace. Yet we are all conscious that the time and effort devoted to settle this dispute since the end of the fighting in June 1967 has led to no improvement in the situation. Agreement by the Security Council last November to certain basic provisions and principles for a just and lasting peace in the Middle East was an important achievement. But principles are of little use unless the parties accept in good faith the duty of implementing them fully and effectively.

The Canadian government reaffirms its support for Security Council resolution 242 of 22 November, 1967, in all its parts, and pays tribute to the patient and tenacious efforts of the special representative of the Secretary General, Ambassador Jarring, to assist the parties. We give him our full support, and call upon the parties to use his good offices and earnestly seek agreement on a peaceful and accepted settlement based on the provisions and principles of resolution 242. This is particularly important in the days which lie ahead when Foreign ministers are in New York and readily available to consult.

ARAB REFUGEES

The events of June 1967 tragically aggravated the problem of the Palestine refugees. I am sure I speak for all member countries when I pay tribute to the work of the commissioner general of the United Nations Relief and Works Agency and his staff. In extremely difficult conditions, the agency, in conjunction with the host governments, has carried out its responsibilities with perseverence, skill and compassion. In recognition of the vital need for UNWRA to continue its work, my government during the current fiscal year maintained its voluntary pledge of cash and food aid valued at 1.2 million dollars and, in addition, contributed to the agency the equivalent of $650,000 in special donations.

The agency can assist in supplying the refugees with the basic requirements for subsistence, and it has done notable work in providing education for thousands of refugee children. For the future, however, what is required is a just settlement which would offer the refugees the opportunity of living in peace and dignity. A solution to the refugee problem will only be feasible in the context of an agreed settlement between the Arab states and Israel. Meanwhile, pending the attainment of such a settlement, this urgent humanitarian problem remains. My government, therefore, calls upon all member states to demonstrate the reality of their concern for the refugees by supporting, tangibly and generously, the operations of UNRWA.

VIET NAM

It is deeply discouraging that no tangible progress has been made towards a negotiated settlement in Viet Nam. The high hopes universally aroused by the initiation of the talks in Paris reflected the overwhelming desire of mankind to see this agonizing and destructive conflict brought to an end.

While it is appropriate that this body should be concerned with the situation in Viet Nam, responsibility rests in the final analysis with the two sides to the conflict. Canada has already expressed the view that the bombing of North Viet Nam should stop. This is an essential first step. But a political settlement requires a general military de-escalation, and North Viet Nam must demonstrate its willingness to contribute to this process.

RACIAL DISCRIMINATION

We are often reminded that the United Nations is a centre for harmonizing the actions of nations. One of the main threats to such harmony is racial discrimination and the effects it has on international stability. The divisions amongst the membership which these questions provoke must not be allowed to lead to a breakdown in communication between us. The objective is clear. It is to ensure that the majority of the peoples of the countries of southern Africa will no longer be deprived of their rightful place in the political, economic and social development of their countries.

The main issues are the future of South West Africa and Rhodesia, the question of apertheid in South Africa, and the refusal of the government of Portugal to accept the overwhelming opinion of this assembly in favour of self determination for the peoples

of Angola, Mozambique and Portuguese Guinea. In all four situations minority groups have decided that they alone have the right to determine for an indefinite period the rate of progress and the capacity to govern of the unenfranchised majority. These inequities must be ended. The process of peaceful change must be accelerated.

But how? We are all looking for some way out of the present impasse over South West Africa. At the XXII session of the assembly, the Canadian representative suggested that the assembly explore the offer made by the foreign minister of South Africa to receive a personal representative of the Secretary General, without prejudice to any position which may have been taken by members of this organization. We still hope that this approach can be followed up. We are prepared to consider other approaches if they command a wide measure of agreement and if they are realistic.

We have agreed on the principles of United Nations action against Rhodesia. We must do everything possible to see that these decisions are carried out by all states and especially by South Africa and Portugal. We must continue also to confront these two states with our unanimous judgment that policies of racial repression and political subjugation are incompatible with United Nations principles. Canada respects and intends to abide by the decisions of the Security Council.

HUMAN RIGHTS

Violations of human rights are not restricted to southern Africa. All member states are under an obligation to look to their own records of achievement in protecting human rights. My government supports the initiatives which have been taken in the United Nations in the formulation of the various international covenants and declarations in the field of human rights. Canadian legislation reflects this concern in various enactments prohibiting discrimination based on sex, race, colour, creed or national origin, in living practices, conditions of employment, public accommodation and trade union membership. Voluntary organizations have promoted amongst all Canadians an awareness of their basic rights. Several provinces have established human rights commissions or ombudsmen, and a bill of rights enumerating individual rights has been adopted by the federal parliament. The federal government is proposing entrenchment of a code of human rights in our constitution.

In order to facilitate the implementation of such covenants and conventions my government recognizes the need for new approaches to the machinery of implementation. The proposal to create an office of the high commissioner for human rights is, in this context, an important and welcome development which I believe deserves the broadest possible support from member states.

PLIGHT OF CIVILIANS IN WAR

In the broader context of human rights, the review of the arrangements for coordination between the activities of international relief agencies in case of natural disasters should, we think, be extended to cases of hostilities so that in such cases also assistance can be provided quickly and effectively to the innocent victims involved.

ECONOMIC DEVELOPMENT

This organization is dedicated to the elimination of poverty, ignorance and disease. At the end of the first development decade, this goal is still far off. We can look back with satisfaction to some achievements—I think of the establishment of the United Nations development program for example—and we have learned some lessons. We have learned that economic development is a long term process and that co-ordination of international programs involves more than setting targets and adjusting priorities. We know better now that the terms and conditions under which aid is offered are of fundamental importance, as is the relationship of trade to aid. We realize that the improvement of agricultural techniques is critical to the whole development process.

Nevertheless, there is no hiding the fact that the level of international assistance to developing countries in inadequate. The needs grow faster than the resources are made available, partly because population increases so rapidly. So far as Canada is concerned, our aid program will continue to grow year by year to reach the goal of 1 per cent of gross national product as quickly as possible. We are pursuing a set of economic policies which will free resources for high priority purposes, and notwithstanding the imposition of strict limitations on expenditures in general, our aid effort will increase substantially next year. This includes an increase of 25 per cent in our contribution to the United Nations development program in the coming year, as

well as significant increases in our contributions to the United Nations children's fund and for the United Nations high commissioner for refugees. At the same time we have always recognized the importance of the terms of aid, and have, therefore, through extensive use of grants and long term low interest loans, sought to meet the needs of recipient countries.

On the eve of the second development decade, we in Canada look forward to the conclusions of two major evaluations of development assistance and related policies of trade, one commissioned by the UNDP and one by the World Bank. The latter is to be headed by a former prime minister of Canada, the Right Hon. L. B. Pearson. There has been some skepticism whether resources made available for development purposes have been used with maximum efficiency. These assessments should identify the lessons to be learned from past experience and provide useful indications as to the policies to be pursued in the future. In this context, there may be greater confidence in development operations and, we hope, greater willingness on the part of developed countries to increase their contributions.

It seems apparent that to a significant degree the gap between the more developed and less developed societies reflects the differences in the extent to which they have learned to apply the techniques and the fruits of science and technology to their fundamental development problems. No mere transfer of the experience of the more developed nations can bridge this gap. The developing nations require their own capabilities in the field of science and technology. For this purpose, they must have ready access to the reservoir of knowledge and experience which exists elsewhere and their efforts to adapt these to their own special needs and aspirations should be welcomed.

Recognizing this, the Canadian government intends to establish in Canada an institution devoted to the practical application of science and technology to the fundamental social and economic problems of development. This institution will have a directing board and staff drawn from many countries and the results of its studies will be freely available to the international community. It will be designed to add a new dimension to the search for solutions to those social and economic ills which are the root cause of so many of the difficulties brought to this assembly.

Mr. President, my government recognizes that the terms of world trade must be improved if the developing countries are to be able to utilize technological change to greater effect and attract investment capital. We have heard various comments from this rostrum about the second United Nations conference on trade and development. No one can be content with its results. But it is an encouraging fact that, as new forms of aid such as tariff preferences are formulated in UNCTAD, the need for far reaching changes in the working method of the organization have also been recognized. We look forward to the presentation by the president of the second UNCTAD conference to the General Assembly in plenary session of the issues raised at the conference in New Delhi.

THE PROBLEMS OF HUMAN ENVIRONMENT

The Canadian delegation welcomes the fact that in addition to examining comparatively unfamiliar questions relating to outer space and the ocean floor, attention will be paid at this session to the problems of the human environment. We in Canada are keenly aware that the effects of pollution of the air and water respect no boundary. We and our neighbour, the United States, have together pioneered in the development of international machinery to deal with this problem. For these reasons we have welcomed the initiative of Sweden to have this important matter considered as a problem of world significance, and therefore one which it would be appropriate to deal with in the first instance in plenary session.

PEACEKEEPING

Despite the scientific revolution and startling advances in world organization, the sad fact is that governments are all too often forced to give military expenditures priority over the requirements of peaceful development. Resources which might be used to increase production and foster education must be applied to reconstruction and relief. It may be utopian to believe we can banish the use of force in relations amongst states. But we must strengthen the capacity of the United Nations to act as an agency for the control of conflict and the mediation of disputes.

My government is encouraged by the signs of progress in the special committee on peace keeping operations. We have been among those governments which have attempted to contribute to this work by summarizing their own practices and by pointing to the lessons which might be drawn. Papers on observer

missions, prepared by the Secretary General and now being studied by a working group of the special committee, represent a significant contribution to our study of peace keeping in all its aspects. Discussions due to take place in the committee should help in narrowing the differences among member states about preparations for peace keeping. I hope the assembly will instruct the committee to expand its investigation to include other aspects of United Nations peace keeping experience and attempt to draw some agreed conclusions. In this way, we should be able to develop an understanding about the practice of peace keeping acceptable to all.

UNIVERSALITY OF THE UNITED NATIONS

We shall not be able to improve very much the capacity of the United Nations to realize its full potential in promoting peace and security unless the institution itself reflects the world as it is. The question of universality of membership remains pressing. We regret the absence from this assembly of states that play an important part in world affairs.

The question of the representation of China is the most important of these issues, even though it is not strictly a question of membership. My government has made public its decision to explore the possibilities of entering into diplomatic relations with the government of the People's Republic of China. It is not in the long term interests of world peace and security that the government in Peking should remain isolated. For this reason, we think that this government should be represented at the United Nations. We would welcome any equitable proposal which would facilitate the representation of the People's Republic of China in this organization having regard, however, to the rights of existing members.

CONCLUSION

The United Nations is a very different organization from the one Canada helped to found more than 20 years ago. Its membership has almost tripled. It has formulated new priorities and is moving in new directions. It has demonstrated powers of adaptation in response to new demands. Human rights, economic development, co-operation in new environments, such as outer space and the ocean floor, have taken their place as matters of major concern along side the more traditional but nonetheless vital questions of war and peace. Indeed, it is now understood better than it was that all these questions interact.

As we endeavour to meet new challenges, we should not lose sight of the fact that the effectiveness of the United Nations is bound to be measured in the eyes of world opinion against the practical results which follow from our resolutions. It is not by the number of resolutions that we pass that posterity will judge us, but rather by the determination that we show in dealing with the pressing issues of our times and in carrying out the decisions that we make. In this spirit, on behalf of Canada, I pledge sustained and vigorous support of the United Nations.

HOUSE OF COMMONS

Friday, October 11, 1968

The house met at 11 a.m.

[*Translation*]

CANADA ELECTIONS ACT

AMENDMENTS RESPECTING QUALIFICATION OF VOTERS AND CANDIDATES

Mr. Gérard Laprise (Abitibi) moved for leave to introduce Bill No. C-117 entitled: "An act to amend the Canada Elections Act (Qualifications of voters and candidates)."

Some hon. Members: Explain.

Mr. Laprise: Mr. Speaker, the purpose of this bill is to amend the Canada Elections Act so that Canadian citizens alone will be voters or candidates in elections.

Motion agreed to and bill read for the first time.

[*English*]

BUSINESS OF THE HOUSE

REQUEST FOR EARLY CONSIDERATION OF FARM LOAN LEGISLATION

On the orders of the day:

Mr. G. W. Baldwin (Peace River): I should like to ask the Minister of Agriculture a question and to renew the request I made to him last night. Would he agree to bring forward the farm improvement loan bill as the first item of government business today, or early today, on the basis that the house would agree to an order that at the end of an hour all questions necessary to pass the legislation through all stages would be put? Possibly members of the creditiste party who opposed this suggestion last night might be prepared to accept it now.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there are a number of members who are not present in the house at the moment but who were advised yesterday that the farm legislation would not be called today. These were members who wanted to participate in the balance of the debate, and I think we could accept that members on both sides of the house wanted to be involved. However, Mr. Speaker, I would like to suggest to the house leaders of the other side that we could substitute the farm bills for the post office bill that was announced for Tuesday. We would like to get several of these bills through, and we are prepared to offer to put them on next Tuesday rather than the announced post office legislation. This will also require some changes, but if the opposition house leaders agree we would be quite willing to call these bills for one more day.

INDIAN AFFAIRS

REQUEST FOR CONSULTATION BEFORE IMPLEMENTATION OF REORGANIZATION

On the orders of the day:

Mr. Ed Schreyer (Selkirk): Mr. Speaker, in the absence of the Minister of Indian Affairs and Northern Development my question is addressed to the Minister without Portfolio from Port Arthur. In view of statements made on the C.B.C. national news last night by the president of the Manitoba Indian Brotherhood that Indian affairs department reorganization will have the effect of more centralization in Ottawa, of separating economic from social programs, and of appointing a biologist as community development director, will the minister give an assurance to the house that he or his officials will consult with this Indian spokesman and others before giving effect to the reorganization?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, the government has noted the representations made by Indian organizations on the reorganization program and has assured them that the government, as part of its review of all social development programs, will study all submissions made by Indian organizations and other interested parties. As a matter of fact the minister made this statement in the house last week in connection with an Indian-Eskimo proposal for a new development agency.

Mr. Frank Howard (Skeena): Mr. Speaker, I direct a supplementary question to the right hon. Prime Minister, and ask him whether there are any plans to place the subject of constitutional jurisdiction with respect to Indian people upon the agenda for any federal-provincial constitutional conferences, that jurisdiction being now vested in the parliament of Canada.

Inquiries of the Ministry

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, the general subject of the constitutional jurisdiction of the federal and provincial governments is on the agenda of the federal-provincial conference.

[*Translation*]

PUBLIC SERVICE

SUPERANNUATED FEDERAL EMPLOYEES—REQUEST FOR INCREASED PENSIONS

On the orders of the day:

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to address a question to the right honourable Prime Minister and I hope that he will be in a position to answer it today.

Does he intend soon to comply with the request of retired civil servants who are asking for increased pensions out of the Public Service Alliance fund, as recommended by a parliamentary committee in the spring of 1967?

Mr. Speaker: I think this question was asked just a few days ago.

Mr. Laprise: Mr. Speaker, with all due respect, the question has not been answered, and if the right hon. Prime Minister cannot give a satisfactory reply today, I would ask that it be taken up at ten o'clock at the next opportunity.

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, to avoid a discussion at ten o'clock, I must say that the question has been answered repeatedly. It was answered last week, and I myself stated that the matter was under consideration. Indeed, there has been an exchange of correspondence between the representatives of the civil servants and myself. I indicated that we were not in a position to grant those increases now but that we would consider it as soon as possible.

Mr. Laprise: Mr. Speaker, I should like to put a supplementary question and ask the right honourable Prime Minister whether he is aware that the request of the public servants follows the recommendation of the parliamentary committee. I am not asking that government funds be used but rather funds taken out of the public service fund.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): As a supplementary question, Mr. Speaker, in view of the fact that the estimates of the Treasury Board are listed for today perhaps the appropriate minister should be prepared to discuss this matter later today.

OIL

REPORTED REDUCTION IN U.S. IMPORTS FROM CANADA

On the orders of the day:

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce arising out of a statement he has made and out of answers given by the Minister of Energy, Mines and Resources. Will the minister advise the house as to the terms and conditions of the cut-back in exports of crude petroleum from Canada to the United States?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I am replying now on behalf of the Minister of Energy, Mines and Resources whom I replace today in the house, and in my own capacity.

The newspaper to which the hon. member refers, this morning's *Globe and Mail*, puts words in my mouth, as sometimes is the case with the best papers. I never used the word "quotas".

My hon. friend will remember that about a year ago I stood up in this house and gave an explanation about the kind of agreement we had entered into with the United States. At that time I referred to a "framework" of agreement. I never denied that some figures were contained in that, but I emphasized at that time, as I do today, that there were all kinds of qualifications, ifs and whens. So much so, I said at the time and I repeat now, that it would not be useful to members to know what were the exact figures. As a matter of fact this is the way the agreement has evolved. Because of delays in the construction of capline some adjustments had to be made.

I repeated these points, I believe, to the newspaperman yesterday, but he quotes me this morning as having said "quotas", which I deny.

Mr. Woolliams: In spite of the reservations the minister has mentioned, is he prepared to advise the house and the country whether there has been, by agreement, a reduction in the exportation of crude petroleum from Canada to the United States, forgetting about quotas?

Mr. Pepin: My hon. friend knows that the export of oil to the United States is a very difficult subject. He has good informants in Calgary, who tell him that Canada has to be

careful not to upset United States markets. The government must take into account Canadian interests but also United States interests. And it is in our interests to take into account their interests.

Mr. Woolliams: Perhaps I can put it very simply. Can the minister explain now to the house why we had a different answer from the Minister of Energy, Mines and Resources last week with reference to this very matter, and why he is contradicting the other minister.

Mr. Pepin: I read the answer given by my colleague and it was in accord with what I am saying now.

Mr. Speaker: Order. This is becoming argumentative.

Hon. D. S. Harkness (Calgary Centre): Did the government agree to limit exports of Canadian crude oil to the United States?

Mr. Pepin: I said this was possible within the framework of the agreement. It would not be right for me to say yes or no, without qualification. I have never denied the possibility. I just repeated today that there were figures in the framework of the agreement, but I also said that these figures were qualified by a number of ifs and whens. That is quite clear.

Mr. Harkness: Instead of using so many ifs and ands, I wonder whether the minister could simply answer the question as to whether an agreement was made by the Canadian government to limit exports of Canadian crude oil.

Mr. Pepin: This matter is now in the hands of the Minister of Energy, Mines and Resources, but when these arrangements were made I was trying to implement intelligently a policy devised by the Conservatives back in 1960.

Mr. Hees: Does the minister realize that by his answer he is making Hon. Paul Martin look like a plain, blunt spoken man, and the essence of clarity?

HOUSING

INQUIRY AS TO PROVISION OF ADDITIONAL MONEY

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Transport. In his absence I had intended placing it before the Minister without Portfolio, but since he is absent also I shall direct it to the right hon. Prime Minister who perhaps will take it as notice and pass it on.

Yesterday I asked the minister whether the amount of $170 million which is to be made available by C.M.H.C. for new housing starts this year represented any additional funds for housing construction in 1968. The minister said there has been no increase in the capital budget this year, but that this does represent an increase in the expenditures for this year. Will the minister therefore inform the house whether, prior to this announcement, there was a planned underspending by the government for 1968 in this critical field?

HARBOURS

ROBERTS BANK, B.C.—INQUIRY AS TO COMMENCEMENT OF CONSTRUCTION

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I should like to ask the right hon. Prime Minister whether he can bring us up to date on a most important matter. Will he advise the house when it is anticipated that the question of jurisdiction, financing and the rail route to the new Roberts Bank development will be concluded with the government of British Columbia and the railway companies in order that construction can proceed as soon as possible to meet the contractual obligations made with Japanese companies?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, perhaps I could prevail on the hon. member and ask him to be here on the next sitting day, at which time the Minister of Transport will answer the question.

[*Later:*]

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary question to the one the hon. member for Vancouver East directed to the right hon. Prime Minister. In view of the truancy record of the Minister of Transport, can the Prime Minister assure us—

Mr. Speaker: Order, please. The hon. member cannot ask a question which includes epithets. The question cannot be permitted on that ground. If the hon. member wants to ask a direct question he will be recognized.

Mr. Nowlan: Mr. Speaker, in answer to the hon. member for Vancouver East, the Prime

Minister asked the hon. member to wait until Tuesday, when the Minister of Transport will be here. The Minister of Transport was here only once last week. All I am asking the Prime Minister is whether he can assure us that the Minister of Transport will in fact be here on Tuesday.

Mr. Trudeau: Mr. Speaker, I can assure the house that according to our arrangement, on days when matters coming under the jurisdiction of the Minister of Transport are raised there will be somebody in the house to answer the questions.

Mr. Thomas M. Bell (Saint John-Lancaster): I have a supplementary question for the Prime Minister. I ask him the direct question; after one week's trial period of this system of planned attendance does he feel it is working in the way it was intended, and would he explain some of the advantages to the house which he outlined on October 4?

Mr. Trudeau: I must say that the Conservative party is even more conservative than we thought. We hope they will keep trying this novelty.

Mr. G. W. Baldwin (Peace River): I should like to ask the Prime Minister if he can give assurance to the house that no crisis will arise within a department on days when that department is not represented by a minister.

Mr. Trudeau: Yes, Mr. Speaker, provided they are not engineered by the opposition.

[*Translation*]

CANADIAN NATIONAL RAILWAYS

VICTORIAVILLE, QUE.—PROPOSED ABANDONMENT OF PASSENGER SERVICE

On the orders of the day:

Mr. André Fortin (Lotbinière): Mr. Speaker, I wanted to ask the Minister of Transport a question but, in his absence, I will direct it to his parliamentary secretary.

Some time ago, the C.N.R. management announced that passenger service at Victoriaville would be discontinued completely. There was a general outcry among the population of that city of 23,500 inhabitants—

Mr. Speaker: Order. The hon. member must ask his question.

Mr. Fortin: Can the Parliamentary Secretary to the Minister of Transport tell the house if the decision to discontinue passenger

[Mr. Nowlan.]

service starting next October 27 is final and irreversible?

Mr. Speaker: Order. That question should be put on the order paper.

THE BUDGET

ANNOUNCEMENT OF PRESENTATION ON TUESDAY, OCTOBER 22

On the orders of the day:

Mr. Marcel Prud'Homme (Saint-Denis): Mr. Speaker, I should like to put a question to the hon. Minister of Finance.

Has the minister reached a decision regarding the date on which the budget will be brought down?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, it is my intention to bring in the budget on October 22. In anticipation of that I will be tabling the white paper the middle of next week.

[*Later:*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Finance. It relates to his announcement that the budget will be brought down on October 22. Since that is a Tuesday, and since Tuesday is his day off, will he be here when the budget is presented?

Mr. Benson: Mr. Speaker, I think it is most likely I will be here.

Mr. Baldwin: That is the day there will be a crisis.

AIR CANADA

INQUIRY AS TO APPOINTMENT OF PRESIDENT

On the orders of the day:

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to ask the Prime Minister whether he is in a position to announce the appointment of the new president of Air Canada.

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

Mr. Hees: Would the Prime Minister consider appointing Mr. MacIsaac and Mr. Anderson to the Senate to clear the way for a non-political appointment for this position?

Mr. Trudeau: Yes, Mr. Speaker.

TRANSPORT

ORDER OF COMMISSION RESPECTING HEALTH OF RAILWAY EMPLOYEES

On the orders of the day:

Mr. Charles H. Thomas (Moncton): Mr. Speaker, I wanted to direct a question to the Minister of Transport but I do not see him here today. I thought the understanding was that his parliamentary secretary would be here to answer questions, but apparently he is not here either, so I will have to direct my question to the Prime Minister.

Is the Prime Minister aware of the delay on the part of the Canadian Transportation Commission, in that its railway transport committee has failed to rule as yet on the application of the Canadian railway labour executive, which made representations in January of this year in respect of a general order on the matter of health and sanitation as they relate to railway employees?

Mr. Speaker: Order, please. It seems to me that this is a general question of the type hon. members should put on the order paper.

Mr. Thomas (Moncton): With all due respect, Mr. Speaker, the Canadian railway labour executive is meeting this day in Ottawa, and they have stated they have tried to get this answer from the government and have requested me to attempt to get an answer in the house.

CONSUMER AFFAIRS

PROCEEDINGS AT DOMINION-PROVINCIAL CONFERENCE

On the orders of the day:

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, will the Minister of Consumer and Corporate Affairs indicate whether the federal-provincial conference on consumer affairs will be open to the public or, failing that, to members of this house?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the federal-provincial conference called for October 28 is a meeting of federal and provincial officials. In line with the usual practice, this will be a closed meeting.

Mr. James A. McGrath (St. John's East): Would the minister tell the house whether a decision has been reached in respect of setting up a committee on consumer affairs, since the standing committees of the house have now been constituted?

Mr. Basford: No.

Mr. McGrath: A supplementary question, Mr. Speaker. Would the minister tell the house what committee of the house will deal with the important matters that come under his jurisdiction?

Mr. Basford: Mr. Speaker, that is really a question for the house leader. I believe it is going to be the economic and social committee.

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a supplementary question for the Prime Minister. Would the Prime Minister have the white paper on prices and costs, which he promised on September 13, brought down in time for this meeting?

Right Hon. P.-E. Trudeau (Prime Minister): The white paper is not ready yet, Mr. Speaker.

Mr. McGrath: A further supplementary question to the Minister of Consumer and Corporate Affairs, Mr. Speaker. Will he now tell the house when the special consumers' council will be set up? He has been putting off this question since the house opened.

Mr. Basford: Mr. Speaker, I take it that the hon. member meant to refer to the council by its correct name, which is the consumer advisory council. I have been saying that I hoped to appoint it shortly, and I meant that. I hoped to appoint it far earlier. My problem is that there are about 200 people in Canada who would make a tremendous contribution to the council and I am having some difficulty in reducing this number to manageable proportions.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wish to direct a supplementary question to the Minister of Consumer and Corporate Affairs. After establishing the consumer advisory council will the minister refer to it the subject matter of price increases of automobiles, repair parts and safety devices in automobiles?

Mr. Basford: Mr. Speaker, the consumer advisory council is an advisory council independent of the minister and the department. The work it will do is really a matter for decision by the chairman and the members of his council. I am not in a position to direct it to do any work.

Mr. Schreyer: A further supplementary question, Mr. Speaker. That being so, could the minister say whether he has referred or will refer this subject matter to anyone?

Inquiries of the Ministry

Mr. Basford: Mr. Speaker, this is a matter of very lively concern to the Department of Industry, Trade and Commerce, to my department and to the government as a whole.

Mrs. MacInnis (Vancouver-Kingsway): A further supplementary question, Mr. Speaker. If we are not to have a standing committee of this house to which to refer consumer affairs, will the minister see that either a special committee of this house is set up or a joint committee of the house and the other place, such as the one we had before; because there should be somewhere to which we can refer consumer matters.

Mr. Basford: Mr. Speaker, I have answered this question previously. I have said that the matter is under consideration. This is also related to the statements that I and the Prime Minister have been making about publishing a white paper on the question of costs. The two questions are related.

POST OFFICE DEPARTMENT

PROPOSED REFERENCE OF LEGISLATION TO HOUSE COMMITTEE

On the orders of the day:

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Postmaster General. I wonder whether the hon. gentleman can now answer the question asked previously, as to whether the post office bill will be referred to the appropriate committee so that all concerned can make representations.

Hon. Eric W. Kierans (Postmaster General): Mr. Speaker, I do not think the representations that could be made before a committee would have changed from what they have been in recent years. I have met with all interested groups in the past several weeks. I think the bill will stay in the house and in committee.

EXTERNAL AFFAIRS

NIGERIA—INQUIRY AS TO STEPS TO END MILITARY OPERATIONS

On the orders of the day:

Mr. R. Gordon L. Fairweather (Fundy Royal): Mr. Speaker, I have a question for the Prime Minister. I am wondering whether the right hon. gentleman has had a chance to study the speech made by his distinguished predecessor at York University, to the effect that an end of the military operations in Nigeria-Biafra was of prime importance; and as a result, is the government considering any fresh initiatives in this regard?

Right Hon. P.-E. Trudeau (Prime Minister): Mr. Speaker, I understand that the committee discussing this matter met until one o'clock this morning. We are awaiting any opinions or advice which might issue from that committee.

INQUIRIES OF THE MINISTRY

On the orders of the day:

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, I have a question for the Prime Minister. Another crime slaying has been reported from Montreal. Is the right hon. gentleman now prepared to take this matter seriously and co-operate with the attorneys general—

Mr. Speaker: Order, please. The question is not acceptable in this form.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, in connection with the answer to my recent question to the Prime Minister, could he tell us whether it is his intention soon to review officially the 1927 decision concerning the dispute between Quebec and Newfoundland as to the ownership of Labrador? Could he make a statement now?

[*English*]

HUMAN RIGHTS

NOVA SCOTIA—BYLAW RESPECTING BURIALS IN ST. CROIX CEMETERY

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I wish to direct a question to the acting minister of justice or the acting minister of Indian affairs, whichever one would desire to answer it.

My question relates to a Nova Scotia by law which states that no negro or coloured person, nor any Indian, shall be buried in St. Croix cemetery.

A situation arose not long ago in which a child of non-caucasian descent was denied burial there. I wonder whether either of these gentlemen would take a look at this situation in the light of the bill of rights and in the name of equality and humanitarianism, to see whether this is a valid bylaw which should remain in existence.

Inquiries of the Ministry

[*Translation*]

Mr. Jean-Charles Cantin (Parliamentary Secretary to Minister of Justice): Mr. Speaker, I take notice of this question.

[*English*]

HEALTH AND WELFARE

MEDICARE—PROVINCES PREPARED TO ENTER INTO AGREEMENT

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, I would like to address a question to the Prime Minister. Would he indicate which provinces have now stated their intention to participate in federal medicare by March 31, 1969?

Right Hon. P.-E. Trudeau (Prime Minister): I will have to take notice of the question. I do not have the information in my mind.

Mr. Monteith: Mr. Speaker, may I ask a supplementary question. Would the Prime Minister, when looking up this information, determine whether the $35 million in the revised estimates includes the cost which will apply to all the provinces which have indicated their desire to enter medicare by that date?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, perhaps I could answer this question. The $35 million in the revised estimates is the amount which is expected to be spent in the current fiscal year on medicare.

Mr. Monteith: With all the anticipated provinces in the program?

Mr. Benson: Yes, Mr. Speaker.

BUSINESS OF THE HOUSE

QUESTIONS ASKED OF MINISTERS ON ORDERS OF THE DAY

On the orders of the day:

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I rise on a point of order, which I can fully support by Your Honour's rulings throughout the last session of parliament, under which I and other members of the house were not permitted to ask questions of ministers which did not pertain to their own departments. In view of the fact that I and other hon. members were refused permission to do this, it should naturally follow that no minister should be permitted to answer questions which do not pertain to his own department.

The system introduced by the Prime Minister has thrown that all out of whack. For example, when the hon. member for Vancouver East asked a question which was directed to the Minister of Transport, he was informed by the Prime Minister he would have to wait for an answer until the minister's return to the house, which will not be before Tuesday.

The situation in which an urgent question is asked and we are told by the Prime Minister that an answer will not be forthcoming sometimes as late as five days hence is making mockery of parliament. It is also a mockery of parliament that today we have in the house only eight ministers out of twenty nine.

Some hon. Members: Shame.

Mr. MacInnis (Cape Breton-East Richmond): Matters of great importance are sometimes raised—

Mr. Speaker: Order, please. Would the hon. member kindly state his point of order.

An hon. Member: How many members do you have on your front benches?

Mr. MacInnis (Cape Breton-East Richmond): With the Liberal side acting up again I did not hear your remark, Mr. Speaker. The Minister of Consumer and Corporate Affairs, the would-be leader from British Columbia, wants to take the floor.

Mr. Speaker: May we have order, please. The hon. member should state his point of order, on which I will give a ruling.

Mr. MacInnis (Cape Breton-East Richmond): My ruling, sir, goes back—

Some hon. Members: Oh, oh.

Mr. MacInnis (Cape Breton-East Richmond): It might not be a bad idea if I did give a ruling. My point of order is substantiated by the rulings of the Chair throughout the last few sessions of parliament, when hon. members were not allowed to ask questions of a minister unless those questions pertained to the department of the minister to whom the question was directed. Mockery has been made of that practice by the Prime Minister. It is time we had a definite ruling from the Chair, and it is time the Prime Minister was told how parliament should operate.

Mr. Speaker: I have no difficulty in making a ruling on the point raised by the hon. member. If he will remember the circumstances to which he referred, it was the hon. member himself who, along with other hon. members,

attempted to ask questions of ministers in their capacity as alleged ministers for a province, and I suggested that questions could be asked of a minister only in his own purview. What is being suggested now is that questions be asked of acting ministers. This has always been accepted in the 100 years of Canadian parliamentary procedure, and from a procedural standpoint I see no difficulty in accepting that proposition.

Mr. MacInnis (Cape Breton-East Richmond): May I say, with all due respect, Mr. Speaker, that I do recall a ruling with regard to asking questions—

Mr. Speaker: Order, please. I have made my ruling. The hon. member may not agree with it, but I am afraid he has to accept it.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, a question of privilege will come up later.

EXTERNAL AID

NIGERIA—REPORTED RESTRICTION ON USE OF CANADIAN PLANES

On the orders of the day:

Mr. David Lewis (York South): Mr. Speaker, I must ask this question of the right hon. Prime Minister because today is not the day for the Secretary of State for External Affairs to be here, and this is a matter which I suggest cannot be delayed until Tuesday. It arises out of a report that the Hercules planes which the Canadian government is now making available are to fly only from Lagos in Nigeria and not from any other base from which relief might be flown into the areas of suffering; that is, they are to fly only between Lagos and Enugu, both of which are in the federal military government occupied area. My question to the Prime Minister is whether this is the condition under which the Hercules planes will be available to the International Red Cross, and whether that condition was laid down by the Nigerian authorities.

Right Hon. P.-E. Trudeau (Prime Minister): I have seen such a report, Mr. Speaker, but apparently it is a news report from a source which we have not been able to verify. It does not correspond to the facts as we see them.

Mr. Lewis: I have a supplementary question. As the right hon. gentleman knows, this report allegedly comes from the international committee of the Red Cross in Geneva. May I ask the Prime Minister if he knows whether the Department of External Affairs is making direct inquiries to ascertain whether those limitations are to apply with regard to our aircraft.

[Mr. Speaker.]

Mr. Trudeau: We had notice of this report yesterday through the ordinary news wire. We are continuing to make the arrangements, about which we told the house yesterday, to organize flights from Fernando Po to the rebellious parts of Nigeria. Consideration is being given to the possibility of making these flights with the greatest safety. We are not affected by this report, and it is not our understanding that this is the way in which the arrangements will be made.

Mr. Forrestall: I wonder if they are not rebels with cause.

Mr. Andrew Brewin (Greenwood): The Prime Minister referred to flights from Fernando Po. Did he intend to exclude from the arrangements flights from San Tome, the Portuguese island?

Mr. Trudeau: No, Mr. Speaker. I was simply indicating that now that we have the agreement of the Lagos government that flights by our aircraft under the authority of the International Red Cross will not be considered a hostile act, we are placing our aircraft at the disposal of the International Red Cross so that that organization can fly these planes as best they see fit.

POST OFFICE DEPARTMENT

REPORTED INCREASE IN VOLUME OF THIRD CLASS MAIL

On the orders of the day:

Mr. Heath Macquarrie (Hillsborough): I have a question for the Postmaster General, based on reports that post offices are being flooded with third class mail from companies trying to avoid the government's rate increases. Can he tell the house what measures his department is taking to prevent possible consequent delays in the deliveries of other classes of mail as a result of these floods?

Hon. Eric W. Kierans (Postmaster General): I do not believe that poses any particular problem. There is a great deal of third class mail going through, as there will be until November 1. I imagine it is normal for such companies to try to avoid cost increases, but so far this has caused no deterioration in the delivery of other mail.

HOUSE OF COMMONS

CANCELLATION OF ORGANIZATION MEETINGS OF STANDING COMMITTEES

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, through you I desire to direct a most important question to the President of the Privy Council. Since it is his day off from orders of the day I therefore direct my question to whoever can speak for the President of the Privy Council today, or to the Prime Minister. In view of the expressed desire of the Prime Minister that the standing committees be organized and assume responsibility, can whoever may now speak for the government inform members why this morning we were informed that by order of the President of the Privy Council all organization meetings of standing committees of this house called for next Tuesday have been cancelled? I know you realize the importance of this particular question, Mr. Speaker, and I hope you will allow an answer to be given.

Mr. Speaker: Perhaps while the matter is being considered—

Mr. Donald MacInnis (Cape Breton-East Richmond): May I ask a supplementary question. While the cabinet is considering the answer, could we have this time deducted from the time allotted for questions?

AGRICULTURE

REQUEST FOR RE-ESTABLISHMENT OF ACREAGE PAYMENTS

On the orders of the day:

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for the Minister of Agriculture. In view of serious financial losses of western farmers because of the loss of markets, frost, rain and low quotas, will the minister consider re-establishing the emergency legislation concerning acreage payments?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there is a possible or a potential serious loss to the farmers of western Canada, but I think the hon. member will realize that until the harvest season is completed it would be difficult to ascertain what the loss will be. There are several days, perhaps even weeks, left this fall when much of this harvesting could be done, providing the weather turns better. I feel it would be premature, therefore, to give this kind of consideration when we don't know what the harvest will be. I should advise the hon. member that the latest revised estimate by the Dominion Bureau of Statistics indicates the crop will be around 628 million bushels, which is a very good crop for western Canada.

Mr. John Burton (Regina East): Mr. Speaker, is the government carrying on consultations with the provinces and other interested parties to consider measures to alleviate the serious income problem now facing the prairie farmers and also to counteract the deteriorating crop conditions which are getting worse by the day?

Mr. Olson: We are doing more than that, Mr. Speaker. We have introduced legislation to increase by 100 per cent the cash advances on farm stored grain in western Canada. We hope the house will be disposed to approve this measure quickly so we can make it available to the farmers.

Mr. Burton: Will the minister consider making representations to the house leader to give this legislation a higher priority on the list of house business?

Mr. Olson: Mr. Speaker, I am wearing two hats today, one as Minister of Agriculture and the other one as acting house leader. We have already suggested, and I thank the Postmaster General for his agreement, calling this farm legislation for one more day, namely next Tuesday. We would be prepared to call Bill No. C-111 first, followed by Bill No. C-110, followed by Bill No. C-113, followed by Bill No. C-112. We should hope the house would give us authority to proceed with the provisions contained in those bills.

Mr. Southam: May I ask a supplementary question to my earlier question concerning cash advances? Does the minister not realize that the provisions concerning cash advances are going to limit the amount of money available to the small farmer because of a lack of quota?

Mr. Olson: I realize it is going to double the amount of money available for every type of grain, wheat, oats and barley. As soon as this legislation is approved, cash advances will be increased 100 per cent.

Mr. Burton: I have a supplementary question. Will the minister consider calling the bill concerning cash advances immediately after consideration has been completed of the Farm Improvement Loans Act?

Mr. Olson: Certainly the Farm Improvement Loans Act, the Farm Credit Corporation

bill and the cash advances measure are all vital pieces of legislation. We certainly do not want to be in a position where we have to cease operation of the Farm Credit Corporation because the capitalization is not sufficiently large for that corporation to continue.

CORN—INQUIRY AS TO STABILIZATION OF MARKET

On the orders of the day:

Mr. H. W. Danforth (Kent-Essex): My question is directed to the Minister of Agriculture, in view of the fact I have been informed that the price of Canadian corn fell another 4 cents a bushel yesterday. When is it expected that the government policies indicated by the minister might have some effect on stabilizing this market?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we were extremely anxious that action be taken to restore some stability to the corn market both in Canada and the United States, because as my hon. friend knows one is related to the other. I had some very useful conversations with Secretary Freeman of the United States department of agriculture. These have been followed by meetings in Washington between senior officials of the Canadian and United States government.

A press release was issued at six o'clock last night by my department and by the United States department. While no specific action has been agreed on at this point I think it is useful to know and, indeed, significant that the United States has agreed that it is urgently necessary to consider the several proposals placed before the meetings in order to find ways and means that are to our common advantage in stabilizing this market situation.

Mr. Danforth: A supplementary question, Mr. Speaker. Can the minister say whether his departmental officials feel, after meeting with their counterparts in Washington, that a decision can be expected from Washington before the change in administration?

Mr. Olson: Mr. Speaker, we certainly hope a decision will be made sooner than that. I am sure my hon. friend is aware of the very, very complex background to our international agreements. I do not think it would be useful or beneficial to our corn producers if we were to speculate on the proposals that are under consideration, since if we were to do that the meetings might be frustrated.

[Mr. Olson.]

INDUSTRY

NEWFOUNDLAND—PROPOSED ASSISTANCE FOR LUMBERING

On the orders of the day:

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I have a question for the Minister of Forestry and Rural Development, but in his absence I will direct it to whoever will take it. In view of his announcement last night that various projects are planned to boost the Newfoundland lumbering industry by conditionally approving public measures to aid developments in Happy Valley and Stephenville, can the house be informed what these conditions are before approval can be given?

Mr. Speaker: Order. This question should be placed on the order paper.

SUPPLY

The house in committee of supply, Mr. Faulkner in the chair.

The Chairman: Order, please. The house again in committee of supply, revised estimates of the Governor General and Lieutenant Governors for the fiscal year ending March 31, 1969. Vote 1 will be found at page 188 of the blue book, with the details listed at page 189.

GOVERNOR GENERAL AND LIEUTENANT GOVERNORS

(The following items were agreed to:)

1. Office of the Secretary to the Governor General, $685,400.

Item agreed to.

5. To authorize reimbursements to the Lieutenant-Governors of the Provinces of Canada of the costs of travelling and hospitality incurred in the exercise of their duties up to a maximum per annum for each as detailed in the Estimates, $145,000.

Item agreed to.

The Chairman: That disposes of the estimates of the Governor General and Lieutenant Governors. We shall now proceed to the estimates of the privy council for the fiscal year ending March 31, 1969, vote 1, to be found at page 380 of the blue book.

PRIVY COUNCIL

Item 1:

1. Maintenance and Operation of the Prime Minister's Residence, $40,300.

Mr. Baldwin: Mr. Chairman, I wish to make one or two comments. The first is with

regard to the position taken by government and by the Prime Minister in particular in connection with the constitutional difficulties which the country has been experiencing. Some time ago I asked the Prime Minister if he did not think it was now time to establish in this parliament a parliamentary committee to examine the problems in connection with our constitutional position and the changes that are proposed so that we could all be brought into the picture. The Prime Minister made a slick, glib reply and suggested that the opposition parties had not made up their minds. That is no so. Our position has been made clear, but that is beside the point. For far too long the government and the Prime Minister have taken the arrogant and secretive position that constitutional changes are too precious to be entrusted to any but those who are hidden in the bureaucratic recesses of the government.

The people of this country are entitled to know what proposals are to be made. They are entitled to participate in debate through their elected representatives in this chamber. The prime minister of Quebec recently grappled with this problem and saw fit to disclose publicly the proposals which had been discussed in the constitutional committee of that province. We may or may not agree with those changes. Yet nothing, I submit, is more important to the people of this country than the opportunity to decide whether certain areas of responsibility shall be left with the federal or provincial governments.

I suggest to the government it is time it stopped hiding behind the barricade it has erected. It is time to bring the people of Canada into the picture. It is time to turn this matter into a national debate. The people of Canada are entitled to have some say and we are entitled to have some say on their behalf.

I submit that the Prime Minister cannot long delay. I know he has a majority and can deny our request. I suggest to him, nevertheless, that authority and majorities ought to be used with great circumspection. It is high time a committee of this parliament was established so that we might air in public all areas and all problems associated with this matter. I know that when it comes to working out details we shall require legal and economic experts. I submit this is far too important an issue to be left bottled up. I suggest that the Prime Minister should seriously consider revising his opinion, climb off his high horse and bring this matter before parliament where it should have been long ago.

The Chairman: Shall the item carry?

Mr. Howard (Skeena): Mr. Chairman, perhaps I might have some direction. I do not know whether under this vote I may discuss the matter of royal commissions or whether I ought to wait for another occasion.

The Chairman: I think it would be appropriate to deal with that matter under this item.

• (12 noon)

Mr. Howard (Skeena): My remarks will be relatively brief. I suppose that at some time in the past royal commissions served a valuable purpose, but in the last 10 or 15 years they have been considered to be commissions appointed for the purpose of sidetracking complex, controversial or difficult problems. Some of them are spending many years on their deliberations and coming up with worth-while suggestions and recommendations which, because of the political climate and the feeling of the government at the time the report is made, tend to be sidetracked. Neither I nor anyone else apart from the minister knows the extent to which the report of the Carter commission on taxation will be reflected in the budget, but if the present Minister of Finance holds views similar to those of his predecessor the findings of the Carter commission will remain inoperative and the commission will have proved to be a complete waste of the taxpayers money. It will have served no purpose whatever except as a subject of academic conversation.

I turn now to the request in these estimates for $668,000 for the commission on bilingualism and biculturalism. I look upon this vote as being a further waste of money in addition to the $5 million or $6 million which has already been spent on this commission. This commission was appointed in the first instance as a result of a particular political party seeking to gain a political advantage in one of our provinces, namely, the province of Quebec. I do not want any of my remarks to be considered as anti-Quebec or anti-French speaking or anything of that sort, but I believe it is a political fact of life that before the federal elections of 1962 and 1963 the Liberal party was groping desperately for something which would appeal to the electorate in the province of Quebec and finally conceived the idea of a royal commission on bilingualism and biculturalism. The origin was political. As a matter of fact, as I said earlier in this house, I fail to see how there

can be such a thing as a bicultural situation. A person is a part of a culture, or he is not; it is not capable of division within an individual. The question of linguistic ability is something else.

The commission's latest report has in my submission invaded the constitutional jurisdiction of the provinces when it deals with the subject of education. To my mind this commission represents money wrongly spent, taxpayers' money spent on a royal commission which does nothing more than make recommendations concerning what the provinces should do in a field over which they have clear constitutional jurisdiction, namely, that of education. This jurisdiction is defended with great vigour by the very province which seems to have the greatest interest in the subjects placed before the commission. If anyone at the federal level were to say that Quebec should do certain things in connection with education it would immediately result in a reaction from the various authorities in Quebec who resent intrusion into this particular field. Yet we have spent millions of dollars on a royal commission whose recommendations infringe the jurisdiction over education which many provinces guard so jealously.

I shall not resort to the formality of voting against this item in the estimates when it is called. I read in the newspapers not long ago accounts of steady requests from this royal commission for an extension of time to permit it to continue its studies. I understand that these requests have so far been granted. But I think we should now tell the commission: Make your final report; we are giving you no more money; six or seven million dollars is sufficient for the study you were charged to make. Then we should let the matter rest, because in my opinion we are pouring money down the drain at this stage.

As I say, I shall not vote against the item, because there are a number of other expenditures included in it. I simply wish to express my disagreement with proposals to spend additional sums of money on a royal commission which so far has not made any suggestion that has been generally accepted, other than to say it is in favour of intrusion upon provincial jurisdiction relating to education.

It is possible to argue as to the value of other royal commissions, whether anything worth while comes of them. I simply wish to express the feeling that when the government appoints a royal commission it is in my view admitting, first of all, its inability to cope with a particular problem and, second, that the vast resources of our public service, with all the scientists and experts it contains, are likewise insufficient to produce an answer. It seems to me we should not perpetuate a system whereby we spend millions of dollars upon what we consider to be the best professional minds available to us in Canada, and then say to them when we are faced with a knotty problem: We do not consider you are competent to deal with this matter; we shall set up some other group to cope with it. Generally speaking, money spent for this purpose is money wasted. Why cannot we employ the good minds which are available to us within the public service to find an answer to these questions rather than appoint royal commissions which in many cases come to nought and merely represent a source of additional expenditure? If the government is really serious about curtailing public expenditure I suggest this is one area in which it could exercise common sense and halt the squandering of the taxpayers' money.

Mr. Hees: Mr. Chairman, I should like to speak for a few moments on the subject of ministers who are not available during the question period to answer questions raised by members on the opposition side of the house.

We all know that questions asked during the question period must be of immediate consequence and of national importance. If you look at the schedule, Mr. Chairman, outlining the days when ministers are supposed to be in the house to answer questions, you will find that the third minister on the list is the Secretary of State for External Affairs who holds about the most important portfolio of all. You will see that the Secretary of State for External Affairs is required to be in the house only on Tuesdays, Wednesdays and Thursdays. This means he is absent on Mondays and Fridays.

• (12:10 p.m.)

Matters that come up that fall under his jurisdiction are matters of great national and international importance. They are immediate questions, questions that require an answer right away. If today a question arises and it is immediate, as it must be to be recognized by the Chair, and it is asked of the Secretary of State for External Affairs today it cannot be answered until five days later, next Tuesday. That shows how ridiculous this whole system is because by next Tuesday that question will be as dead as yesterday's newspapers.

Another matter that shows how ridiculous this whole system is is the fact that it is supposed to save ministers from the wear and tear of parliamentary duty.

Mr. Bell: They are afraid.

Mr. Hees: Of course they are afraid, but the theory the Prime Minister has put forward is that ministers should be saved from the wear and tear of parliamentary duties so that they can devote more time to parliamentary committees, cabinet committees or some other kind of work. But everybody knows that in any country the man upon whom the great responsibility falls is the Prime Minister. He is the one who has to make the decisions. Of all the members of the cabinet, if anybody is to be saved for decision making and relieved of the wear and tear of daily parliamentary life, if that is necessary—and this Prime Minister seems to think it is for his cabinet—the Prime Minister is the one man who should be preserved for more decision making, thinking and planning and not put through the daily wringer of the House of Commons. But the Prime Minister is the one who has decided that he will be here all day each day and he, because his ministers are absent a great deal of the time, will have to do a lot of answering for them because they are not here to do the answering for themselves.

Anybody who has been in government will recognize that for a minister to be in the house every day is the best thing in the world for him. Knowing that he is going to be subjected to questions each day requires him to be far sharper, far more on the job, far more alert to anything that may be going wrong with his department or with matters under his jurisdiction. If he knows he has to be in his place each day in the House of Commons and answer all manner of questions about matters under his jurisdiction then he is going to be far better informed day by day on the things he should know about for the good of the country.

So, Mr. Chairman, this whole plan is wrong from start to finish. It saves the wrong people. It overtires the man who should be saved the most, the Prime Minister. It provides for the absence for five days in a row, from Thursday until the following Tuesday, of the most important minister in the cabinet next to the Prime Minister, the Secretary of State for External Affairs. Any question that is asked of him must be of great importance. It is of national and international importance, but by the time that five days have rolled around the question is of no importance whatsoever.

Once again, we in the opposition ask the Prime Minister to reconsider the decision he has made to bring about this change, not because we want to be small about this matter or dictate to the government how it shall operate but simply because we have been through the same procedure that the present ministers go through each day. We have been a government. We who were ministers know what it is like to answer questions. We know whether it is a good or a bad thing for a minister to be in the house each day to answer the questions put to him. We know, and ministers across the aisle know perfectly well, that it is a good thing for them to be in the house each day knowing they have to be prepared to answer immediately any question that is put to them about matters under their jurisdiction.

Therefore, once again on behalf of our party and on behalf of the opposition I appeal to the Prime Minister through the government house leader, who is in the chamber, to reconsider this plan because we think it will be for the benefit of the better functioning of parliament and the better running of the affairs of this country if these ministers are available in the house each day instead of being absent, as so many of them are each day because of this rather ramshackle, hit or miss plan that has been thrown at the House of Commons with very little consideration by the Prime Minister. We ask the Prime Minister to be a big enough man to say: We tried it; we do not think it is good and we will go back to the former method of making ministers available in the house at all times.

To the newer ministers in the government I can say they will find out as time goes along that there is only one thing worse than being asked a lot of difficult questions each day and that is not being asked any questions at all.

Some hon. Members: Hear, hear.

Mr. Macdonald (Rosedale): Mr. Chairman, I must say it is very useful that the hon. member for Prince Edward-Hastings has taken the opportunity to comment on this matter, not because of the argument he makes but because of some of the misconceptions demonstrated in the point of view he is taking. It is not without significance that he should have referred in particular to the Secretary of State for External Affairs and should have advanced the proposition that willy-nilly, come what may, whatever the

arrangements, five days a week the Secretary of State for External Affairs should be in the House of Commons during the question period to answer questions. We should pause and reflect on this attitude of the hon. member.

In the first place, in the state of modern diplomacy, in the state of the many responsibilities of the Secretary of State for External Affairs, it has been traditional during the government of which the hon. member was a member, during the government that preceded this one and now during the present government, that the Secretary of State for External Affairs should be absent from the House of Commons for long periods of time, not absent because of any lack of respect for the house or lack of concern about his responsibilities in the house but absent because the proper discharge of his office requires that he be absent. For example, the Secretary of State for External Affairs has just returned from participating in the general debate at the United Nations General Assembly. That has been the custom over the years. Having participated myself in a general assembly session I know of what value it is for the Secretary of State for External Affairs and for the foreign ministers of other nations to attend the general debate, to participate in it, and to have the opportunity it provides to discuss current trends in international relations with the representatives of other nations.

But the hon. member for Prince Edward-Hastings would not have this. He says that external affairs is the second most important portfolio and that the minister should be here come what may. I must say I would disagree with this.

Mr. Hees: On a point of order, Mr. Chairman, I never said at any time that the Secretary of State for External Affairs should be here come what may. I obviously said that he should be here if he is in Ottawa, not at the United Nations or at some other foreign conference where of course he has to be present. All secretaries of state for external affairs have always attended these conferences and we have wanted them to attend. I simply say that if he is here in Ottawa he should be here in the House of Commons, not in his office. He cannot be here if he has official duties in New York or some other foreign capital. Don't be stupid and make a statement like that.

Some hon. Members: Hear, hear.

[Mr. Macdonald (Rosedale).]

• (12:20 p.m.)

Mr. Macdonald (Rosedale): I am glad the hon. member for Prince Edward-Hastings has recognized—

Mr. Hees: Stupidity annoys me very much indeed.

Mr. Macdonald (Rosedale): I must say to the hon. member for Prince Edward-Hastings that while we find that quality in him we have always found it to be charming.

Mr. Hees: You just do not have the knack of being funny.

Mr. Macdonald (Rosedale): You seem to be the only one who thinks so. I think it is interesting that the hon. member for Prince Edward-Hastings speaks almost better from his seat than on his feet. I am glad the hon. member has clarified the situation because it was clear from his previous remarks that he insisted the minister should be in the house. I am glad that at least he has clarified his party's position from this standpoint.

There are two things about the proposal before the house which I should like to emphasize. First, we are not talking so much about the importance of individual ministers being available here during the question period as we are of the importance of having them answerable on certain days in the house for their departmental and functional responsibilities. Second this system has been in vogue in the British House of Commons at Westminster for very many years. The system we are proposing provides a much better opportunity than does the British system for the questioning of ministers. It has been suggested that this system is undemocratic and is not in the interests of effective parliamentary democracy. All I can say is that if that criticism is justified then it must apply *a fortiori* to the British system.

We feel that an appearance three times a week by a minister to answer questions on matters concerning his departmental and functional responsibilities gives a first class opportunity to members to raise questions within the limits of the minister's responsibilities.

The hon. member for Prince Edward-Hastings referred to the fact that many ministers sit through entire days without being asked a question. The question this automatically raises is whether this is really the best employment of a minister's time, that is, to have a minister sit here for up to an hour, after having had to prepare for the event,

just so that he will be present if someone wishes to ask a question not perhaps for the purpose of seeking information but rather for the purpose of tendering information, especially when, as the hon. member for Prince Edward-Hastings indicates, the questions are very often ruled out of order.

I think ministers have a responsibility in respect of answering questions in the house but I also believe that ministers should also have an opportunity to attend meetings of cabinet committees and to deal with other departmental matters during some of this time. In this regard a conflict occurs in the parliamentary system because ministers are required not only to be executives but also to bear their responsibility as members of parliament and be present in this house. It would seem to me that the system we are putting forward is the only way under a modern and effective system of government that we can assure that there is an opportunity for parliamentary questioning and also an opportunity for the ministers to engage in their departmental responsibilities.

I have made reference to the British system. There seems to be some considerable misconception about it. It might be useful if I were to address a few remarks to the house on this point. First of all, the British system requires that questions not be asked, as the vast majority of questions during our question period are asked, without advance notice to the responsible minister. It requires that written notice of the question be given to the table. It reserves to the table, or to the clerk of the house, the responsibility to decide whether or not the question is in order. Apart altogether from the question of order it reserves to the decision of the Chair whether or not a particular question should be accepted at the time just from the standpoint of the sheer volume of questions coming forward.

In the United Kingdom parliament—and I do not think it is an undemocratic institution—the ministers are not required by the rules of that house to be in the house every day five days of the week. Rather, a roster is established whereby in practice a minister may be questioned in the house perhaps only once every three weeks or so. If I may use the Canadian ministries as an illustration, the situation there is that the roster would call for, first, the Secretary of State for External Affairs, second, the Minister of Finance and, third, the Minister of Agriculture. In the British system all outstanding questions of which notice had been given to the secretary of state for external affairs would be called and spontaneous supplementary questions would be allowed at that time. The effect, therefore, under the British system of government would be that a question after it has been accepted by the Chair might not be responded to for as much as three weeks after having been put forward.

I believe it can be fairly said that in an attempt to provide at the same time an opportunity for a minister to take care of the heavy demands on his time and an opportunity for members to pose questions in the house, the proposed arrangement is very reasonable. Hon. members are not being asked to do what I understand was the practice at one time in this house, that is, give advance written notice, even the courtesy of advance written notice as little as an hour beforehand. Members may ask questions without any notice at all to the minister. They may direct a question on three days of the week either to the minister directly responsible for a particular department or to the acting minister. If the purpose of the question really is to seek information, then surely it obviously is better that the minister be given at least the courtesy of an hour's notice of the subject involved in the question which the hon. member proposes to ask him.

Mr. Hees: Would the minister allow me to ask a question?

Mr. Macdonald (Rosedale): By all means.

Mr. Hees: Does he think for one moment that during the six years we were in power either Mr. Pearson, Mr. Martin, Mr. Chevrier or Mr. Pickersgill ever gave any minister notice? I can assure him they did not.

Mr. Macdonald (Rosedale): I see. Well it seems to me that that only brings forth the observation that two wrongs do not make a right.

Mr. Hees: Then for heaven's sake stop preaching to the house.

Mr. Macdonald (Rosedale): I have difficulty preaching to the hon. member. I wish he would open his ears as freely as he opens his mouth.

Mr. Hees: I am opening my ears but I simply object to a lot of the nonsense you are uttering.

Mr. Macdonald (Rosedale): I am not trying to provoke the hon. member and I am sure he is not trying to provoke me. I hear some very

useful advice from the hon. member for Saint John-Lancaster.

Mr. Hees: You had better stick to the straight line. You are not funny.

Mr. Macdonald (Rosedale): I think it is obvious that in our parliamentary system we must make some adjustment because of the fact that there is now more business to be dealt with and the matters to be dealt with are of increasing complexity. I think it is important to recognize that the parliamentary institution which we have inherited has grown and evolved over the years. It will continue to evolve and grow but we hope to find on the other side of the house a greater receptiveness to this kind of parliamentary change instead of the negativism that would indicate that, because things have not been done this way in the past, no changes should be made.

• (12:30 p.m.)

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, now that this subject has been opened again I should like to make a few comments. I agree with the President of the Privy Council that it would be ridiculous to insist that every minister be in his place in the house every day of the session. There are people like the Secretary of State for External Affairs who occasionally have to be away for a day at a time and sometimes for a week at a time. In fact, this is true of all the ministers of the cabinet. There are times when their absence is imperative either because of an important engagement in some other part of the country or elsewhere or because of illness. We recognize the fact that to have 100 per cent attendance on the part of cabinet members every day is impossible.

What we think complicates the situation is that the Prime Minister, on top of these absences that take place naturally, has imposed what seems to be a requirement or an order that on certain days certain ministers shall stay out of the house, whether or not they have to be somewhere else. We have already experienced the situation where ministers, according to the roster, are not supposed to be here for the question period and they come in afterwards. I do not know where the President of the Privy Council was this morning. He was not here during the question period but he came in afterwards.

Mr. Macdonald (Rosedale): What would you say if I told you I was at a cabinet committee meeting?

[Mr. Macdonald (Rosedale).]

Mr. Knowles (Winnipeg North Centre): Is that the answer for the 18 or so ministers who were absent this morning? Were they all at the same cabinet meeting?

Mr. Macdonald (Rosedale): Mr. Chairman, in answer to the hon. member's observation perhaps I should state that while I am not at liberty to say who was at the committee meeting there was a cabinet committee meeting this morning and a substantial number of my colleagues were at that meeting. I think it is appropriate that we have such meetings.

Mr. Knowles (Winnipeg North Centre): I hope the President of the Privy Council will not have his knuckles rapped for having made a cabinet leak, but I can tell him that I regard this as a legitimate reason for a minister being absent. It is legitimate for ministers to be absent when some emergency arises and a cabinet committee meeting takes place. It is precisely because there are so many of these legitimate reasons—appointments at the United Nations and throughout the country, and cabinet meetings, or because of illness—that I think it is unfair to the house to say that over and above these there are certain days on which certain ministers will not be here because of the roster.

The second comment I should like to make is this. The Prime Minister assured us when he announced this system in the first place that it was not his intention to impose upon us a notice requirement any more stringent than now prevails. Of course, there is no notice requirement at all. At any rate, this was the assurance. Later on when this issue became a rather warm one we were assured again there would always be someone in the house for each department. We were assured that the minister, the acting minister or the parliamentary secretary would be here to answer questions. Failing that we were told the Prime Minister would be here. In this way we could get an answer of sorts on any day.

This situation seems to have changed. This morning the Prime Minister told one or two members to be here on Tuesday or Wednesday to ask their questions at that time. In other words, we are being shoehorned into a system under which we must ask questions about certain departments on certain days whether or not there is an emergency.

The whole effect of this is a weakening of the question period, making it less important and cooling it off. I think this is bad for parliament. Sometimes we do not get as much

information during the question period as we would like but the question period is, I submit quite frankly, not just a time for asking and receiving information. It is a time of straight political warfare. I see nothing wrong with it. I think it is part of the parliamentary process. It is an opportunity for the opposition to keep the government on its toes. The question period is one opportunity we have to do this.

It is my submission that if the government continues as it did this morning, and this takes place every Friday, we will have trouble keeping the opposition members here. They will ask: What is the use of being here on Friday? I think this is a serious attempt to make the question period much less effective and less important. I believe the government is doing a disservice to parliament because of this course which is being followed.

Every time this discussion about the question period is raised someone tells us how this is handled at Westminster. The President of the Privy Council was not ploughing new ground when he did this today. It was interesting last February that there was almost a unanimous feeling on the part of the members who visited Westminster that Westminster had much to teach us, but not in this area. When members of this house went over there and saw how their question period operated they said: This is not for us. Some of the members of that committee are in the house at this time and I am sure they agree with me.

The other point I want to make is that you just cannot compare the two systems, because they are completely different. The minister suggests that over there written notice has to be given in respect of every question. This is 99 per cent true, but there are such things as very urgent and "super-urgent" questions which the front benchers on the opposition side can ask. But for the most part questions are put on the order paper. In addition, there is roughly an hour every day which is virtually an hour of debate or political warfare.

The minister says that on most days only one minister will be answering questions. That is true, although on some days there can be two or three. We all know what happens here. The parliamentary secretary gets up and says questions numbered so and so are answered. Over there the minister gets up and goes to the dispatch box to answer questions. After each answer there may be six or eight supplementary questions and a debate of the kind we have here on orders of the day.

What bothers me is that ministers like the President of the Privy Council want to adopt the aspect of the British system which requires that notice be given of questions but do not seem to want to adopt the practice of having the discussion period which they have over there. I think it is quite unfair to make this kind of a comparison. Even with the liveliness when the Prime Minister was on the griddle we felt there was something lacking because members were not able to put questions to other ministers.

Let me remind you that the responsibilities of the United Kingdom house are much broader than ours. We sometimes refer to the fact that theirs is a unitary system of government while ours is a two level system. They have what amounts to three levels in one. They are dealing with matters that we deal with federally, provincially and municipally. These matters are all dealt with on the floor of that parliament. On top of this they have their debates on adjournment motions. There are all sorts of opportunities for venting grievances and airing things that bother them.

If I felt this government was trying to move in the direction of creating more opportunities for legitimate political warfare, such as is involved in the question period, I would go along with it. I am thoroughly convinced that the government is not trying to move in that direction but is trying to move in the direction of cooling off the question period. If we have many more mornings like today with only six or eight cabinet ministers here we will have fewer members on the back benches and Friday will be a worse day than it is now.

• (12:40 p.m.)

Incidentally, Mr. Chairman, speaking of questions, my colleague the hon. member for Vancouver East asked a question this morning in the absence of the President of the Privy Council, who we now learn was at a very important cabinet committee meeting, about the announcement that all the organization meetings of committees slated for Tuesday have been cancelled, not just this one or that one but the whole works. I am told the external affairs committee will still meet on Tuesday morning, but all the organization meetings of committees on Tuesday have been cancelled.

This was of concern to my colleague the hon. member for Vancouver East, who prefaced his question by referring to the importance being attached to committees and getting them going and asked, therefore, why the organization meetings have been cancelled. I have a suspicion as to why they are being cancelled for Tuesday. Monday is a holiday and the fear is that there will not be as many members here on Tuesday morning as there would be on a normal Tuesday morning and therefore we might just as well not hold the meetings.

I mention this in the same vein as when I talked about the downgrading of the question period. We have enough trouble as it is getting members to be here. We all live in glass houses in this respect; all parties in the house have this trouble. Therefore, let no one try to throw stones, because he is in the same trouble himself.

I submit that this downgrading of the question period will add to the problem of house attendance, and I hope the government will consider my suggestion. I still feel that it was rather strange that this system should have been started the very day after we had agreed to set up a committee to study the rules and procedures of the house. The Prime Minister rose and unilaterally announced this change and we just had to take it, whether we liked it or not. Well, Mr. Chairman, we do not like it, mainly because we think it is doing damage to parliament.

Mr. Macdonald (Rosedale): Mr. Chairman, I think the intervention of the hon. member for Winnipeg North Centre has been useful in this regard, as it generally is on procedural questions, because it opens up a number of avenues for further consideration of this question. Also, I think it perhaps sheds just a ray of light on the solution to the problem of the question period.

The hon. member conceded that it was entirely legitimate that I and other colleagues, who shall remain nameless, who were members of a particular cabinet committee should have been absent from the house this morning. From that concession there seems to flow a further logical principle. Given the fact that the governor general in council, that is, the executive of this country, is required by our system of government to make a very large number of decisions, many more than can be handled in one or two cabinet meetings a week outside of the ordinary business of the house, it is inevitable that there will be more than one committee meeting that will conflict with the sittings of the house. I think it follows equally logically that if there is this great volume of business coming forward at cabinet committee meetings, they should be scheduled so that ministers can engage in the executive work which must necessarily be performed by the cabinet. As the hon. member said, if there is legitimacy in one particular case of having such a meeting, there is legitimacy in establishing over the period of a whole week a framework of cabinet committee meetings so executive decisions can be made and the work dealt with on a regular and systematic basis.

[M. Knowles (Winnipeg-Nord-Centre).]

The hon. member said that parliament as a whole will decline if the question period is downgraded. I think he may have made that remark for rhetorical effect. I believe that parliament is very much more than the question period. I am very much intrigued by his reference to the practice followed in Great Britain as a lively hour. Questions appear on the British House of Commons order paper and those requiring oral answers are called by prearrangement for the minister responsible to answer them in the house. Apparently an hour is taken up with this procedure. I think this might be a practice to be followed in our house. I believe there is merit in what the hon. member said.

I refer to one of our current rules which it seems to me has become a dead letter. I am talking about the institution of starred questions in this house. I put this suggestion forward for the consideration of hon. members opposite and perhaps we will at a later date have an opportunity to discuss it. I think it would be advisable to adapt the starred question procedure in such a way that we would have the opportunity not only of advance notice of starred questions, which come not only to the attention of the minister and the department but of all hon. members and of whoever may be watching us in the house, but also an opportunity for the minister to give a prepared reply. Then there would be further opportunities for hon. members generally, but particularly the initial questioner, to ask supplementary questions following the minister's reply. I believe this could be a very useful practice within the framework of the question period.

The hon. member said that I appeared to be trying to take one aspect of the British question period and not others. I remain very flexible in this regard. This is another aspect of the British question period that might be considered. Perhaps we will be able to consider it in the not too distant future.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, would the President of the Privy Council permit a question?

Mr. Macdonald (Rosedale): Yes.

Mr. Knowles (Winnipeg North Centre): In view of the suggestion the President of the Privy Council is now making, that there are matters we might discuss and consider, does he not agree that it would be better to arrive at changes that way rather than by the method of just announcing them unilaterally from the government side of the house?

Mr. Macdonald (Rosedale): Mr. Chairman, the Prime Minister and I have conceded that this system is experimental. I think it would be advisable to continue the experiment. I will have the opportunity to discuss these matters with the house leaders of the other parties, but I think it would be useful to carry on with the experiment. If it does not work, I would be the first to suggest that it be abandoned. I say, on the other hand, that objections to the system on the very first day it was put into practice should be taken with a grain of salt, because after all we are without any practical experience of how it will work. As I say, I think we should continue the experiment.

Mr. Aiken: Mr. Chairman, I shall take only a few minutes to deal with one or two points that I believe should be emphasized. The first is the question raised by the President of the Privy Council when he concluded his remarks, namely, that objections made on the first day of the system being put into effect should be taken with a grain of salt. I think the President of the Privy Council must recognize that the government took absolutely the wrong approach to the problem in an effort to do something that should be progressive. In this case I hope the objective was to make the question period more useful to parliament. The point is that instead of doing so the result has been the opposite.

We are well aware that it is difficult for ministers always to be in the house during the question period. We all recognize that it is extremely difficult for them to do this. We also recognize that it has always been one of those things that they wish they could avoid. There are so many other things they have to do, so many questions that they perhaps are not quite up to, so many things that might be asked.

As has been pointed out, ministers also have duties overseas at times or in other parts of the country and, although I will not go as far as the hon. member for Winnipeg North Centre did, they also have to attend emergency meetings in the parliament buildings. But it has always been the practice, and as far as I know there has been nothing wrong with it, that ministers should, whenever physically possible, be in the house for the question period of 30 minutes on Wednesdays, one hour on Mondays and 40 minutes on the other days. This is not a long period. More than that, it is a prescribed period; they know exactly when it is going to take place within the minute, unless motions are made which mean that the question period is extended.

There has always been the understanding that ministers have a problem in this regard. I think the house has always been willing to recognize the problem. The house has always been willing to recognize that when a minister is out of Ottawa on government business he is certainly not available here for questions. This is the flexible way in which the question period has always been approached and I believe it has worked out satisfactorily. Of course there have been problems, but it has never been the case that ministers present in Ottawa have sat in their offices instead of being present in the house to answer questions.

• (12:50 p.m.)

The new system would work perhaps if there were a guarantee that an absent minister would be here on the day he is supposed to answer questions. Perhaps there is something in the suggestion that he may have to be away on a certain day but that he will be here the next day. I think we might even go along with that if the Prime Minister could say the absent minister would be present the next day. But the fact is that on a day the minister could be here he sits in his office upstairs, while on the day he is supposed to be here he gets a call to go somewhere else.

This week we had the strange situation of the Minister of Energy, Mines and Resources sitting in the house during the question period on Monday presumably ready to answer questions—I am sure he saw me rise to put a question to him—but drifting away so he would not be caught in the house on a day when the timetable said he should not be here. But on Wednesday, when he was supposed to be here during the question period, in answer to my question the Prime Minister said the Minister of Energy, Mines and

Resources had gone to a meeting of the council of resource ministers in eastern Canada so he certainly could not be here. The minister must have known he was going—there was no emergency—and he should have made himself available on Monday and Tuesday when he was right here in the building. This is where the whole system is failing. Whoever dreamed up this idea, whether it was the Prime Minister, the President of the Privy Council or anyone else, instead of making the system more flexible and realistic has made it so rigid that it will never work.

We are not trying to oppose it for the sake of opposition or to cause the government embarrassment. That is not our sole reason. I recognize that we have to make our point by ridicule, but that is the only way in which we can do it in a ridiculous situation. That is all we can do in these ridiculous situations. We cannot meet the weight of the government's majority by just sitting here and being walked over. We have to point out to the public and to the house that this is a ridiculous situation. This is the only way in which we can deal with it.

This system might as well be dropped because it cannot possibly work in this rigid way. The very success of the question period depends on its flexibility and the ease with which unexpected situations are met. The ministers should be here when they can be here. Of course, if they are away for long periods of time, although it is difficult to understand the reason for it we would certainly not make an issue of it. When we know the Secretary of State for External Affairs is in New York, no one rises and asks why he is not here unless we have a suspicion he is staying down there to avoid questions.

If we had been given an opportunity we could have explained to the government before they initiated this system why it would not work. However, they decided not to consult us about it before they brought it into effect.

Mr. Macdonald (Rosedale): Is the hon. member saying that the opposition was not advised of this matter?

Mr. Aiken: The minister is using the very word which points out what the government did. It advised the opposition, it did not consult us.

Mr. Macdonald (Rosedale): Is the hon. member for Peace River saying he did not know about this proposition?

[Mr. Aiken.]

Mr. Baldwin: No, we are not saying that.

Mr. Aiken: I am saying that the President of the Privy Council advised us, but that is not consultation. Is that the way the President of the Privy Council will handle the committee on procedure? If it is and if he is only going to advise us what he will do, he will find some other proposals in as great a mess as they are now. There are a few members here who are perhaps not too brilliant but who have had a few years of experience. I know some of these proposals will not work because they have been tried and they failed. There is no use in the government coming along and saying they have a mandate, so they know everything. It is wrong for them not to consult us. We will accept a new idea if it is good, but this was a very bad one.

Mr. Macdonald (Rosedale): I think there are some useful concessions in what the hon. member for Parry Sound-Muskoka said. In the first place, he was kind enough to indicate there was no sinister intent in what we did, although some of his colleagues have not been so generous in admitting that. But I would say to him in this regard, and I will deal with his last remark first, that I do not agree with his theory that the opposition should have a veto in this matter. I am prepared to concede that the hon. member may genuinely disagree with me on the way in which this house should operate, but just because he disagrees with me does not give him the right to say we cannot do this because he disagrees with it. I want to make this perfectly clear.

Mr. Hees: No one said that.

Mr. Macdonald (Rosedale): The hon. member for Parry Sound-Muskoka was very successful in finding fault with the argument put forward by the hon. member for Prince Edward-Hastings. He conceded it was not to be expected that ministers would be here at all times when questions might be put. It seems to me it is obvious common sense and therefore it should be accepted that ministers cannot be in the house at all times. This is the fallacy in their argument.

Mr. Hees: On a point of order, Mr. Chairman, I never said that at any time. It has always been recognized that ministers have to be away. When they do not have to be away they should be here in the house to answer questions, but when they are away on important business we have always agreed this is right and no questions have been raised.

Mr. Macdonald (Rosedale): I thank the hon. member because it seems to me that there can be no more important business than the conclaves of the cabinet and its committees, and when the cabinet committee is sitting to consider important executive business that is reason enough for the minister to be away.

The Deputy Chairman: It being one o'clock I do now leave the chair.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Macdonald (Rosedale): Mr. Chairman, when the committee rose at one o'clock I was addressing a few remarks to the question of the roster of ministers during the question period. There is a final observation I should like to make on the underlying reasons for this practice. It is related basically to the importance of making sure that there be effective political control if I might use a pejorative term, of the bureaucratic establishment. The function of a minister, as I said before, is not only to be here in the house and respond to questions. I accept the general legitimacy of that proposition. It is also important for a minister to assume responsibility as political head of a department in dealing with the vast apparatus of modern government which has grown up.

One underlying reason that has necessitated the practice the government has followed has been the importance of balancing a minister's time so he could be involved not only in dealing with the executive decisions made in cabinet committee but also that he will have a more effective opportunity to keep in contact—and I do not think the word is too strong—and in control of his department. It is for this reason, in addition to the other reasons I have stated, that I think the change is not only a reasonable but a desirable one considering the need to maintain political control of the establishment.

Mr. Baldwin: Mr. Chairman, I make no apologies for the fact that we have had this debate. I feel it has been very useful. I think we are probably developing in the open here the discussion that might well have taken place in a committee room had there been the consultation to which the President of the Privy Council has referred rather than the arbitrary imposition of this practice. It is a question of advise and consent, which is a term we all know as applicable to the United States Senate. I understood the President of the Privy Council to say he had advised us of this proposal. He did advise, but that does not mean consent nor does it necessarily imply consultation.

I think this is the real problem before us today. Legislative bodies in democratic societies all over the world are puzzled and perplexed by the problems which confront them. The problem is to balance the necessity of putting together the facts that ought to be explained and the responsibility of the legislative branch to make sure that the best interests of the people are served. I think this is our problem. It is easy for the government to produce proposals. They are satisfied those proposals are right and, with all the conscientiousness of virtue, they suggest to the House of Commons that our task should be limited to that of a simple protest.

I am not going to go into all the details of this subject. It is a debate that is world wide. This issue brings us right down to the root of the problem. When the President of the Privy Council and the Prime Minister say, we told you that it was going to happen, they remind me of the phrase, "Upon what meat doth this our Caesar feed that he has grown so great"?

The question period is predicated upon the issue of urgency. What might be urgent on Thursday or Friday may cease to be urgent on Tuesday or Wednesday. I believe Mr. Speaker would be justified in saying, if a question asked on Thursday can be answered next Tuesday, that it ceases to have the characteristic of urgency which is a condition precedent to the question being asked. We had an illustration of this situation during the question period today. I think the government is wrong. However, there are ways and means by which something might be worked out. I can readily understand the desire of the government to secure notice of certain types of questions. Something might be worked out with regard to some of these questions along the lines of the principle involved in the United Kingdom which provides for private notice questions. The proposition is that you reward those who give notice rather than punish those who do not give notice, which seems to be what is in the mind of the government here.

There is no doubt in my mind that the Prime Minister and President of the Privy Council are in fact saying that if we do not give notice of a question then it is going to

be made much more difficult for us. I do not accept that proposition either. Through proper consultation and reasonable discussion I think this area of difference between us might well be worked out. I make the simple statement of fact to the government that every day this method continues to be perpetuated makes it that much more difficult to work out a logical, sensible solution such as we must have.

I do not mind saying that probably I was one of the members who was in the mind of the hon. member for Winnipeg North Centre when he talked about the trip to England. I do not mind admitting that the memo I gave to the special committee on procedure contained the suggestion that we should have a look at this system. I attended the question period at Westminster almost every day. I talked with private members, ministers, some former ministers and former privy councillors. I say to you, sir, and to this committee that the system has been a complete failure in the United Kingdom.

• (2:40 p.m.)

The other day I read a book entitled "The Power Of The Prime Minister" by Humphrey Berkeley, who is a liberal-minded member of the Conservative party. He has been most interested in this problem and its ramifications with regard to parliamentary procedure. In the book he expounds his views and recommends many things. Most emphatically and categorically he says that the present system in the United Kingdom is a complete failure. It simply does not work. He cites examples showing that members sometimes have to wait four, five or six weeks to secure an answer. That is not good enough.

I know that ministers have responsibilities which necessitate their absence from the house. It is wrong, however, for the government to invent additional, artificial reasons for ministerial absences. If committees of cabinet must meet during the question period I shall not object, nor would any other member, I am sure, on this side of the house. Yet I suspect that to justify or rationalize its proposals the government may schedule cabinet meetings to take place during the question period. Perhaps I am overly suspicious, but I confess that thought ran through my mind as the President of the Privy Council was expounding his views.

Ministers of the crown have behind them all the resources of government. There are ministers without portfolio and 16 parliamentary secretaries, and there is no reason for not giving immediate answers to questions that are asked in the house every day. Perhaps on a matter of great importance a parliamentary secretary or acting minister may say, if the minister is absent, "We shall take the question as notice and provide an answer later".

In dealing with their responsibilities ordinary members of parliament do not have at their disposal the resources of the government. We manage to be here. We are not worried so much about the questions that are to be asked during the question period; we are concerned about the answers. We are here to ask questions.

With great sincerity I urge the President of the Privy Council and the Prime Minister to review their decision which would arbitrarily impose this new arrangement on us. The matter ought to be referred to a committee and discussed in much the same way as some hon. members, in particular the hon. member for Winnipeg North Centre, have suggested other proposals ought to be discussed in committee. Then, hopefully, we may reach a plateau in our parliamentary procedure which will benefit us all. This must be done in a spirit of good will and co-operation.

No doubt the government, in trying to justify its position when it places before this house certain items of legislation or certain matters in connection with estimates, may feel that certain methods of procedure ought to be adopted. At that time the matter may be put to a vote. Nevertheless, I say to the President of the Privy Council and to the Prime Minister that in most of these areas, if there is a little give and take on both sides, we shall arrive at an arrangement that is reasonably acceptable to all members of the house.

I end by saying that the rules of the house belong to the members of the house. They are not for the benefit of the government or any political party. They belong to the private members of this house, to be of assistance in the discharging of the responsibilities which have been placed on the private members by the people of Canada. It is not good enough for the government to say: This is easier for us; therefore it must be so.

Mr. Macdonald (Rosedale): When the hon. member speaks of private members of the house is he intimating that members of the privy council are not private members and therefore not competent to participate in the enactment of rules?

Mr. Baldwin: The President of the Privy Council is a private member of this house as well as a member of the cabinet. I am speaking primarily about private members, meaning by that most of those who make up the membership of this house. The President of the Privy Council came here as a private member. Since then he has been given additional responsibilities which he may not at present be too happy about.

Under the provisions of the Canada Elections Act the majority of the members of this house need not represent the majority of the people of this country, and the government must bear in mind that today the opposition parties represent in total a majority of the people of Canada. There are private members on the government side as well as on the opposition side and it is of great benefit to all if the views of those representing Canadians can be put forward in the house. Members of the government need not travel all over Canada in order to gain an idea of what the people of Canada are thinking on any topic. The representatives of the people will inform the government and in that regard the individual members form the best pipe line the government has to public opinion.

Mr. Drury: Mr. Chairman, although my experience is limited and although I do not pretend to be an expert on the subject, I have listened with interest to the debate. I think we need to bring some perspective to bear on the problem. The house leader for the official opposition has suggested that the rules of the house are the property of the members of the house, and I do not think anyone questions that. It is for the house as a whole to determine what the rules shall be and how they shall be changed. In the present instance no change is to be made in our rules. The Prime Minister made a substantial and useful offer, the reception of which has not been universally happy. One reason for that has been indicated by the hon. member for Winnipeg North—

Mr. Knowles (Winnipeg North Centre): Winnipeg North Centre.

Mr. Drury: He said quite honestly that the particular period we are discussing, the question period, is devoted to political warfare. One cannot expect one side in any warfare to offer concessions gratuitously to the other side.

Mr. Baldwin: This is genocide, not warfare.

• (2:50 p.m.)

Mr. Drury: Well, if I am to be interrupted I would say the approach taken by the opposition would appear to be one of suicide rather than genocide.

The Prime Minister's offer was not couched in terms of the conduct of political warfare in the house. As has been indicated, there are a number of demands on the time and energy of the executive. One of those demands has been the customary, though unwritten one, that ministers attend in the house each day for a period varying from 30 minutes to an hour whether they are needed or not, whether anyone cares they are there or not. Though their presence may help the arithmetic of filled seats it is often the case that otherwise they carry out no useful function.

In order to make better use of the time of the executive, certain changes have been proposed by the Prime Minister. Under past practice, members of the opposition seeking information had to take their chance on the attendance of a minister. If he was absent they expected, and sometimes received, no answer at all; they were invited to wait until he returned, however long that might be. What the Prime Minister is proposing now is that on specific days of the week in relation to government departments, a definite number of departments should be answerable. Out of a total of five days, on three of those days, according to the choice of the opposition, the executive will organize itself in such a way as to produce answers to questions which are asked in relation to each department. This will be done either through the physical presence of the minister responsible for a department or through the adequate briefing of his parliamentary secretary or of an acting minister. Thus, on these three days, in respect of the departments designated, answers will be provided.

This has never been done before. This undertaking to answer, to give an accounting for stewardship at specific times, has never been offered before. Hitherto the opposition has had to depend on the physical presence of the minister concerned, governed by a number of external considerations, in order to secure information or answers. It was an adequate reply, in a minister's absence, to say he was away on public business. In the case of the Secretary of State for External Affairs, for instance, he might be absent for as long as 11 or 12 days at the United Nations General Assembly. For the first time the government has offered, on three of the total of five

days, to see that answers are provided either by the minister or by the acting minister or by the parliamentary secretary. This willingness of the government to account for its stewardship and inform the opposition is a distinct advance over past practice.

The hon. member for Winnipeg North—

Some hon. Members: Winnipeg North Centre.

Mr. Drury: To me, he is not a man of the centre; perhaps that is my problem. In any case, he has drawn attention to the crux of the intellectual conflict which is going on here, namely, that the question period is regarded by some as political warfare and that rules which tend to make that warfare more orderly lessen its fun and people do not like that.

While this proposal may detract from the fun of the warfare, it must be recognized by anybody who is honest about it as constituting a step forward inasmuch as it provides for the public and for members of the opposition a more certain and more orderly way of providing information or giving an account of stewardship. I must say I am surprised it has not been so accepted by the opposition. One is driven to the conclusion that the only reason they have for opposing it is that this move will project the image of a government which is serious-minded, purposeful and coherent in connection with the transaction of the business of parliament, rather than engaging in fun and political warfare.

Some hon. Members: Hear, hear.

Mr. Harkness: Mr. Chairman, I must say I am somewhat surprised at the remarks which have just been made by the minister. He based his argument chiefly on the assumption that the system he proposes would provide more certain answers to hon. members' questions and lead to better order by guaranteeing replies to questions at specific times when ministers would be present in the house. I submit this is a complete illusion. It is exactly what has not happened. From this point of view the experiment has been a complete failure.

Yesterday, five of the ministers listed on the schedule, ministers who were supposed to be here, were not present. I wrote their names down at the time, intending to raise a question about it, but I did not get round to doing so owing to the direction which the question period took. At any rate, members of the opposition were obviously unable to address questions to those particular ministers.

Today for about half of the question period there were eight ministers present out of a total of some 28 in the cabinet. Later another minister came in, so there were nine. But throughout the entire question period fewer than a third of the members of the cabinet were present to answer questions. Questions to the Prime Minister in the absence of ministers responsible were answered in a flippant manner, words such as these: I hope the hon. member will be able to contain his curiosity until the minister is here on Tuesday next.

If this experiment was designed to make certain that members would know when they could expect to get answers from specific ministers, it is a complete failure. Ministers who were supposed to be here, according to the schedule, have failed to attend. And, of courses, others who were not on the schedule were also absent. So far this arrangement has served as a means by which ministers can evade to the greatest extent possible their responsibility to members of the House of Commons. This is a most serious matter.

• (3:00 p.m.)

According to our basic constitutional practice ministers are responsible to the House of Commons and are required to answer questions put by hon. members. In my view this experiment is an effort to place ministers in a situation in which they need no longer answer to members of the House of Commons—by absence for a good deal of the time or by the nature of the answer given on their behalf by whoever is supposed to be representing them, that questioners will just have to wait a few days for a reply. The whole trend is to erode the rights of parliament in this regard and weaken the principle that ministers are responsible to the House of Commons and are required to answer to members of that body. If this so-called experiment is continued we will have a very rapid erosion of one of the basic principles of our responsible, representative form of government. This is the most serious aspect of the matter.

The minister stated that members would be able to get answers at definite times. Can he give me any specific instances, during the two weeks that the new system has been in operation, where members have actually managed to get answers from the ministers concerned, at least in so far as the majority of the questions are concerned?

It used to be the case, and as a matter of fact this is the way the system should work, that if a minister was necessarily absent on government business, somebody else in the cabinet was acting minister and answered for him. During the upwards of six years that I was a member of the cabinet I was at different times the minister of two departments but I was also acting minister for one or two other ministers if they were away. At that time we considered it our responsibility as acting ministers to take notice, if we could not answer a question immediately, and bring in the answer the next day. The fact that ministers have to be away from time to time on government business is no reason in the world why they should not be in the house when they are in Ottawa, and when they are away an acting minister or parliamentary assistant should be able to take notice and answer a question next day. I can see nothing but a gradual decline in our whole constitutional situation and the effectiveness of this house if this experiment is continued.

Mr. Nowlan: Without being provocative, Mr. Chairman, I would like to make a few remarks from the point of view of a member who is not on the front benches. I spoke on this matter the other day and I am not going to belabour the point. Having seen this experiment in operation for a week I can say it is a perfect example of theory which does not work when applied in practice.

To echo the words of the former minister of agriculture, if hon. gentlemen opposite had had the luxury of sitting in opposition and observing the practice of the question period from that point of view they would see how this theory does not work. The President of the Treasury Board supported the proposition that often theory does not work in practice, and I agree with him, not to mention the President of the Privy Council who said that the theory sounds logical, reasonable and businesslike. But the President of the Treasury Board says that this system represents an approach of a government that is serious and sensible and that this will be reflected across the nation.

If I were sitting on the treasury benches and had this rotation system imposed upon my movements, with the Prime Minister answering general questions and questions of policy, it would be an indication of how the Prime Minister regarded my competence in answering questions in the house. As we have seen during the past week it is the Prime Minister who is overexposed to handling questions from the opposition and he has to turn many of them aside for the responsible minister to return.

Because of the pressures of work there is a natural rotation of cabinet ministers. We all admit that no cabinet minister worth his salt, and even no private member, can sit in the house day in and day out. We and the cabinet ministers have other business to attend to outside the chamber. But to have an arbitrary rotation system imposed upon the natural rotation system is unnecessary, and the explanation given by the President of the Treasury Board of the arbitrary system proves the case for the opposition.

Only this morning the Minister of Energy, Mines and Resources, the Minister of National Revenue, the Minister of National Health and Welfare and the Minister without Portfolio (Mr. Richardson) were not in their places to answer questions even though they were supposed to be here under the Prime Minister's rotation system. In fact, as already mentioned, there were only eight ministers present.

Under the Prime Minister's system, if a minister appears in the house three times a week he will spend a maximum of two hours and ten minutes in the house, 60 minutes one day, 30 minutes another day and 40 minutes on the third day. If he is on the short side of the rotation system and does not have to be present during the weekly one hour question period, he will spend only one hour and 50 minutes in the house. I admit that with motions and other measures ministers will spend longer in the house than that, but their attendance will vary from a maximum of two hours and ten minutes a week to one hour and 50 minutes a week during the question period. The Canadian people expect a little more seat time than that from our cabinet ministers.

The Prime Minister said that his system was logical and reasonable. Under the new system we have to give notice of a question. If it concerns a related department it will have to be repeated next day. There is also the functional problem of inter-related questions where, depending on the answer from the original minister, a supplementary question may be required to be directed to the Minister of National Revenue or the Minister of Finance.

According to the Prime Minister's new system, which is a complete change from traditional practice, departments will receive questions. He says that if the opposition

organizes its questions someone responsible in a department will take them as notice. I repeat that this morning four ministers who were supposed to be here to answer questions were not present, and several times the Prime Minister asked hon. members to defer their questions to another day.

Reference has already been made to the Secretary of State for External Affairs. Under the new system the Minister of Transport will be lost to the house at six o'clock on Wednesday and will not have to appear again until the following Monday. We know that that minister is engaged in housing discussions and talks and this week has appeared in the house only once. Therefore the Prime Minister's theory, which seems so logical as a theory, breaks down in practice.

From our experience of the past week we have seen that departments do not give answers to questions. Just to direct a question to a department, with only an acting minister or parliamentary secretary in charge of it, is as effective in getting an answer as the job a eunuch does in a house of ill repute.

There are two principles involved in this matter, one a small one and the other affecting the parliamentary system. We have already spent one or two hours today discussing this matter on the estimates of the Privy Council. If matters proceed as the hon. member for Winnipeg North Centre suggested and the whole procedure is reviewed and reformed, there might not be the reaction and negative criticism of this system that we have experienced to date. The small principle involved is that the house gave unanimous consent to setting up a procedure committee to review all the rules, and the next day this rotation system for ministers was introduced arbitrarily. That did not help breed the confidence and respect that the cabinet must have.

This brings me to the larger principle so far as efficiency is concerned. To use the logic of the President of the Privy Council, if it is a question of numbers that is involved, often we might need only the Prime Minister in the house. If we extend the logic of the President of the Privy Council to its ultimate conclusion, there will be days in this house when one, two or perhaps at the most three ministers will be involved in the actual cross-fire and when the Prime Minister, as the person ultimately responsible for the government, will be the one accountable from this point of view.

[Mr. Nowlan.]

• (3:10 p.m.)

There is another point which I direct to the President of the Privy Council. Again it flows from some of the discussion which has taken place today. As a member of the house and as one who has practised before the bar he is aware that there are all sorts of rules. We have heard of the work to rule provision. I suggest that notwithstanding the rules of law there must be, for the effective prosecution of justice, some confidence built up between the protagonists. Justice prevails in the courtroom because both counsel have a mutual respect for each other which they have developed through their trial experience. In like fashion somewhat the same principle must guide us in this chamber.

There is no doubt that the government has sufficient numbers to steamroller the opposition. One member mentioned ridicule. Sometimes it is necessary for the opposition to revert to this type of thing in order to defend itself. I believe, however, that in order to pursue some of the objects the President of the Privy Council has in mind there must be some mutual respect and confidence between members on both sides of the house so that they will be able to develop the pros and cons of the problems and experiments without becoming lost all the time in political warfare. I am not suggesting that the question period is not the time for political capital or political deficit, depending on how the answers come forward. But after we have had this trial for a period of a week, have seen the question period really start to degenerate and have heard what the minister said this morning, I believe, having in mind the desire of the rules committee to look at all these rules, we should build up the respect and confidence between members when we experiment from time to time rather than say arbitrarily that we will proceed in a certain way because this is what has been decreed.

I believe we can say that this system has not worked. In this new parliament with 97 new members I believe some respect and confidence must be built up with regard to members across the way because our whole purpose in many instances is identical. There cannot be that respect when an arbitrary and unilateral move is made in an area where it ought not to be made, that is, in the reform of the rules of this house.

Mr. Mongrain: Mr. Chairman, I have been listening very carefully but I am at a loss to explain in a convincing way, at least to

myself, why there is all this fuss about this new measure, the roster of attendance for ministers. I have listened particularly to the observations of the opposition house leader. I listened to him very carefully as I have done in the past because he is an hon. gentleman for whom I have a good deal of respect. It struck me that he asked for the cooperation of the government. He suggested there might be ways and means by which to find a reasonable arrangement. I believe that is exactly what the Prime Minister asked in proposing this measure to the house. He asked for the co-operation of the opposition during a trial period of a few weeks or a few months, whatever the period is.

I should like to remind my friends on the other side that co-operation should work both ways. I do not believe that the opposition has co-operated in the last two weeks. They have been systematically shooting down absent ministers. They know the reason the Minister of Transport, for instance, is not here. They know because they read the newspapers. They have been shooting at the Minister of Transport more often than he would ordinarily have been shot at. I suggest that the members of the opposition should look both ways. Even if it should be true that the members of the opposition might have been more fully consulted, I should like to remind them of the saying of a United States president that to the victor belong the spoils.

Some hon. Members: Oh, oh.

Mr. Hees: You are the master and will do what you wish because you have the votes.

Mr. Mongrain: I know it hurts. I know how much it hurts because I have lost a few elections myself.

Mr. Nowlan: Would you have been a victor this time as an independent?

Mr. Mongrain: Although I do not wish to be repetitious, I should like to remind members of the opposition that to the victor should at least belong some kind of leeway in administering this country because it is its responsibility. It is very easy for the opposition to criticize the government because the opposition does not have the responsibility to administer this country under present circumstances. The government, therefore, must be granted some kind of leeway somewhere. I think this is reasonable.

I have done some research. I have gone through *Hansard* over a period of several years, especially during the period when a Conservative government was in power. I thought I would find there a demonstration that their ministers in those days gave very precise answers on all occasions and that their attendance was near perfection. Well, I must say my observation is that the ministers in those days most of the time gave vague answers to the questions. Not only did they frequently not answer the questions, they frequently said that they wished to study the question before attempting to answer it. I might add that my research indicates that these ministers also were absent.

I believe that if the opposition had co-operated during the last two weeks we would have experienced a lot less difficulty. Even if I were to adopt the point of view of the members of the opposition that they should have been consulted further, it is a fact that this measure is now in effect. Therefore I believe it is only reasonable that the opposition should co-operate in respect of this measure and, if it does not work properly, we on this side of the house will be the first to find another reasonable arrangement. The opposition during the past two weeks has not co-operated and now is asking for co-operation. I suggest that this should work both ways and not only on one side of the house.

Mr. Baldwin: May I ask a question?

Mr. Mongrain: If I can answer it I will be very happy to do so.

Mr. Baldwin: Is the hon. member saying in effect that we should relax and enjoy it?

Mr. Mongrain: I should like my hon. colleague to tell me what it is he would be enjoying. I hope it is not my speech. I understand that it is the duty of an opposition to oppose. I know this. We cannot blame the opposition for criticizing the government. The members of the opposition are paid to do that; that is their duty. We understand that up to a certain point.

• (3:20 p.m.)

We need action and we need co-operation today. I was not the first one to talk about co-operation. The opposition house leader spoke about co-operation. Co-operation must work both ways. If we can count on co-operation from the opposition I am sure things will work out better. If things do not work out better then I would suggest we should make a change or find another reasonable arrangement and solve the problem in this way.

Mr. Gleave: Mr. Chairman, I should like to ask the hon. member a question. How can we in the opposition oppose someone who is not here?

Mr. Mongrain: Mr. Chairman, I will have to ask the hon. member to repeat his question.

Mr. Gleave: How can we do our duty as opposition members in opposing the wishes of the government when members of the cabinet to whom we wish to direct questions are not here? How can anyone oppose someone who is not present?

Mr. Mongrain: Mr. Chairman, I do not think my hon. friend is being serious. Members of the opposition have many opportunities to oppose the government by voting and making interjections. Those ministers who are not here at the time of questions will be here at some time. I do not think there are very many questions of such urgency they must be answered the same day.

[*Translation*]

Mr. Matte: Mr. Chairman, I would also like to express my views which could boil down to a few points.

First of all, it seems that this decision by the government lessens the importance of the representatives of the people. One would think that because the government has been elected by the majority, it is leaning on the power of numbers to lessen the importance of the opposition. One gets the impression, especially after listening to the hon. member for Trois-Rivières (Mr. Mongrain), that the party is arrogant enough to think that it can do anything because it is in office. That is what the hon. member for Trois-Rivières has just made clear to us.

It seems to me that the importance of being a representative of the people in the house should not be undermined to that point. If the cabinet does not feel strong enough to answer the opposition adequately, the consequences should not be borne by the representatives of the people. That is my impression; and how can it be explained that ministers are not there, as responsible ministers, for a few minutes every day, to answer questions. Is that not a clear indication that the representatives of the people have no importance and that it matters more to give precedence to something else over them? That is my impression.

It is for this reason that such arrogance displayed by the government, by its decision which deprives us of the possibility to question the ministers as we would like, is unthinkable. Why, Mr. Chairman, should these questions be postponed, as suggested by the government? It is very difficult to get an answer to an urgent or spontaneous question when the minister who would be able to give us the information we seek is not in the house. That is why it is absolutely necessary for the designated ministers to be present in the house. Everybody, even those who have an urgent question to ask, will understand that it is quite natural that the representatives of the people be the first to put their questions to the ministers concerned. I think people will not only understand that, but they will agree to put off a meeting till later, in order to allow a minister to defend his department in the house. I do not see why a matter of a few minutes or at most a few hours should inconvenience a minister so much.

Then, we get the impression that the government wants to reduce the importance of the whole house, especially of the opposition, by shortening the question period, or by boycotting it purely and simply.

Once more, I come back to the fact that the hon. member for Trois-Rivières has unquestionably demonstrated, by his own arrogance, that this is indeed the attitude of the cabinet, which has almost decided to boycot us.

Mr. Mongrain: Would my hon. friend allow a question?

Mr. Matte: Certainly.

Mr. Mongrain: Mr. Chairman, my hon. friend talked of regular attendance in the house and I am going to ask him a very polite question. Has he ever counted how many times the leader of his party has been absent from the house? He too was elected in order to sit in the house.

Mr. Laprise: Mr. Chairman, I rise on a point of order.

The member for Trois-Rivières has just pointed out that the leader of the Ralliement Créditiste (Mr. Caouette) is absent. I must tell him—he probably does not know and cannot be blamed—that the leader of the Ralliement Créditiste, the member for Témiscamingue, is not here because he is now in his riding due to the passing away of his father-in-law.

Mr. Mongrain: Mr. Chairman, it is customary in the house to express our condolences when someone passes away. I therefore take this opportunity to extend my condolences.

However, my hon. friend has not answered my question; he has not dealt with the topic under discussion. I put a simple question to the member for Champlain. I did not ask why the leader of the Ralliement Créditiste was away today. I said that of all the members he is probably the least regular at the house since the beginning of the session.

Mr. Matte: Mr. Chairman, the hon. member for Trois-Rivières should know that on those days where the leader of the Ralliement Créditiste was away from the house he was, as a Canadian delegate, attending a meeting of French-speaking parliamentarians in Paris. The leader was away only on those days, except for the absence the member for Abitibi has just mentioned. I feel that the responsibilities are even greater in the case of ministers. Obviously, making comparisons of the type the member for Trois-Rivières has just made is just too easy a way of trying to settle a question of principle. And it is not because the honourable member for Trois-Rivières has managed to find a good place for himself, that he should attempt, with his arrogance—and I say it again—to influence us.

Mr. Mongrain: Mr. Chairman, I rise on a question of privilege.

My honourable colleague for Champlain said that the honourable member for Trois-Rivières has found a good place for himself; that expression is already disparaging. He also adds that the honourable member for Trois-Rivières shows arrogance which is also disparaging. I should like to point out to him that he has not been in this house very long and we just realized it, after hearing his last remarks.

[*English*]

The Chairman: Order, please. There is no question of privilege.

[*Translation*]

Mr. Mongrain: Mr. Chairman, you do not know whether or not I am rising on a question of privilege. You did not give me time to finish—

[*English*]

Mr. Perrault: Mr. Chairman, I have listened with interest to the arguments which have been advanced during the past few hours with respect to the rights, privileges and freedoms of members of this House of Commons. I speak as one who has had considerable experience as a member of an opposition.

An hon. Member: Hurrah.

Mr. Perrault: I appreciate the importance of the opposition. A government is only as good as the quality of the opposition. I should not like to see any rights taken away from the opposition in this house or diminished in any way. However, I should like to suggest—

Mr. Danforth: Now comes the brick.

Mr. Perrault: —that the attempts to establish a case in the past few hours by the members of the opposition are based on a vastly overstated position regarding what we are discussing in this house.

We have heard some strong language. The word "arrogant" has been used. We have heard hon. members talk about the government "muzzling" their right to speak. We have heard members suggest that there are restrictions on their freedom contemplated by this proposal of the government to make ministers of the crown available for questioning on three days each week.

• (3:30 p.m.)

It has been suggested to this House of Commons that in some fashion democracy in Canada is being subverted. Let me tell you this, that after being a guest in many legislative assemblies across this country, after serving in my own legislature for nine years and after visiting the House of Commons of Great Britain, one of the most profound impressions I have received thus far is that the degree of democracy which exists in the House of Commons of Canada is as high as, if not higher than anywere in the commonwealth. I suggest to the opposition that they will be unable to cite any other assembly in the commonwealth where the opposition is granted more rights and freedom than right here in our house. In the light of what is very much a fact, it seems to me the language being employed in this house by the opposition is patently political and the motivations are political. If we compare our rules of procedure with those which exist in other parliamentary forums, we find that as much democracy exists in Canada in this house, as in any forum in the world one could mention.

We have an oral question period. In many parliamentary systems they do not have an oral question period. I think this institution is a great advantage. But it seems to me that the oral question period also imposes on the opposition a responsibility to be reasonable. Many questions are good, but, at times I have listened aghast to some of the questions from opposition members. On these occasions, it is

my view that parliamentary traditions and principles are subverted by the facetious nature of some of the questions directed at government by the opposition. In addition to the oral question period, members have the opportunity to place questions on the order paper.

There is no suggestion—and it would be ludicrous to suggest otherwise—that somehow it is impossible to ask questions of ministers. Really, Mr. Chairman, it is ridiculous to make that suggestion. Not only are oral questions permitted five days a week, but a wide range of questions can be placed on the order paper. There are also opportunities to ask questions during the consideration of estimates and on many other occasions. It is to be noted with interest that no disapproval has been expressed by the opposition in this house to the proposal advanced by the government to provide special research assistance so that the opposition can do a better job this session. Apparently that proposal is acceptable; yet none of us has heard one word from the official opposition commending the government for its unprecedented action of extending this special assistance to the opposition.

I do not want to belabour the point, but surely government today is so complex that it is not unreasonable to suggest that ministers are not able to spend every day of the week for a certain period of time waiting to be questioned—yes, and waiting to be pilloried at times for on occasion the question period becomes little more than a political baiting carnival. If we are honest, we will admit this fact.

I believe that the role of the opposition today—and I speak as someone who has served some years in opposition—is not the outmoded concept of opposition, namely to oppose and oppose and oppose, but it is to oppose responsibly; and this includes using the question period to the best effect. It is my impression as a newcomer to this house that if questions were properly developed in caucus before opposition parties came into the chamber, the necessary questions could be asked intelligently and reasonably, and reasonable answers could be given. But if we refer to *Hansard* and read some of the questions which have been asked since the opening of the session, I do not think any hon. member of the house can take pride in the quality and motivation of many of them.

I simply reiterate what was said by my colleague, that surely this is a time when we should give the government's new proposal a fair test period. Let us see how it works. I assure members of the opposition that members on the government side of the house are just as concerned about the necessity for a strong opposition as are they. If this system does restrict freedom, I can tell you that I for one will seek to have the system changed, but it should be given a fair test. It seems to me we have belaboured this point long enough and that now we should set to the task of working constructively for the people of this country.

Mr. Crouse: Mr. Chairman, I wish to speak only briefly on the estimates of the Privy Council. A survey of the expenditures is very revealing. We see a saving of $300 in the maintenance of the Prime Minister's residence, half a million dollars on general administration, half a million dollars on royal commissions, and $2⅓ million will not be required this year for visits of state, as in 1967. Obviously there are other savings that could be made, and if the members of the cabinet, or supporters of the government, will but take the time to keep in touch with the grass roots, the average working man, I am sure they will learn that his chief concern and the concern of Canadians generally is the rising cost of government and its wasteful extravagance.

We in the opposition have expressed our concern in this regard. We are concerned about the principle implied in the roster of ministerial attendance supplied to us by the Prime Minister. Here we are, with the largest cabinet in this country's history, the biggest crew, if you will, on board our ship of state that we have ever had, but now we find that the main reason for increasing the cabinet seems to be used as an excuse for more ministers being absent from the house when we wish to put urgent questions to them.

In my opinion it is the responsibility of the cabinet to be in this house to answer urgent questions when they arise. It should not be necessary for us in the opposition to have our questions juggled back and forth, like a yo-yo, while we wait for replies from the proper minister. In sailors' terms, we in the opposition today are bucking a headwind. We have urgent questions to ask, and we must tack back and forth over the whole spectrum of the cabinet while we wait for replies.

When I have an urgent question to put to the cabinet, it may not of necessity be an urgent question to me; but each of us, due to

the redistribution act, represents approximately 75,000 people in this house. We are all equal, therefore, although I must admit that, if one may use a well-known expression, some are more equal than others. When I pose a question to a minister, it is posed in the question period because we can ask questions at that time only if they are of an urgent nature. Of course, if we must wait for two, three or more days for a reply, this destroys the very purpose for which the question period was established.

The estimates we have before us also make us aware of the fact that in government, as with a ship at sea, there is a tendency for barnacles to become attached to the hull, and nothing short of a complete refit will remove them. For example, we still have listed the expenses of the royal commission on pilotage, the royal commission on bilingualism and biculturalism, the royal commission on farm machinery, the commission on security procedures and the commission on the status of women. I want it clearly understood that I am not anti-French Canadian, but I point out that the bilingualism and biculturalism commission has already spent over $7 million of the taxpayers' money.

• (3:40 p.m.)

I believe that Canadians generally would welcome the termination of this most expensive royal commission in our history as an economy measure. I would be the first to state that the commission has been helpful. It has pointed out to us the necessity of giving certain recognition to those in our country who are of French ancestry. But we are facing serious economic problems at the present time and there is a need for a reassessment of some of these commissions.

The same thinking would readily apply to other commissions that are now sitting. For example, over half a million dollars are being set aside for the royal commission on the status of women. I criticized this expenditure during the recent election campaign, and I still believe the government could and should terminate this commission's sittings immediately. Canadian women today are well aware of their rights, their status and the place of importance they occupy in our society. They have the right to own property and to vote, they can run for the town council and the provincial legislature, and we have one lady member in the House of Commons. I believe there is more concern today over the rising cost of everything in our society, and it is the cost of these royal commissions as listed in the privy council estimates which is constantly increasing some of our costs and making it extremely difficult for women in all classes of society to make ends meet.

With these brief comments I will take my seat, but I do hope the government will give some thought to the matters I raised.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I do not wish to cut off the discussion of ministerial absenteeism in the question period. Others who wish to continue may do so, but just as a little interlude I thought I might ask a question or two about the item that is before us. I am afraid that if I do so I will disprove a point I often make. I have often contended that we do not deal with the estimates here on the floor of the house, that we use the estimates as pegs for debates.

Mr. Drury: Do not disturb the practice.

Mr. Knowles (Winnipeg North Centre): There speaks a conservative. This is one of the reasons I have argued for a greater use of the committees. I think that that is where estimates should be gone over with a fine tooth comb. But just as an interlude, let me get out my fine tooth comb and ask a question or two about this item. It is item No. 1, maintenance and operation of the Prime Minister's residence. We are being asked to vote $40,300. According to the blue book in front of us, that is $300 less than we were asked to vote for the previous fiscal year.

The book that is before us now is called the revised estimates. Before that we had the unrevised estimates, and in it the figure was $41,100, so that it looks as though there is a cut of $800 in the expenses of running the Prime Minister's residence. This so called cut received very wide publicity, not only in the papers but in that program which perhaps is the best source of news, namely Max Ferguson's show in the morning. I think we all recall the interesting reception of businessmen which was held at 24 Sussex Drive one night just after this cut was announced, and of how the cleaning women were there at night because they were put on reduced wages and had to get employment elsewhere during the day, while at night they were cleaning the Prime Minister's residence. We also recall when the Prime Minister telephoned for taxis to get the businessmen away, because if they stayed much longer he would have to feed them. So a great deal of attention was given to the tremendous stroke of the Prime Minister in reducing by $800 the

amount that was going to be spent on the maintenance of his residence.

But if we turn from page 380 to page 382 we will discover that according to this book—and I can only assume it is correct—the amount expended in 1967-68, although it is marked as estimated, was only $37,780. So when we are being asked to vote $40,300, if I can add and subtract, it looks to me as though instead of spending less on the Prime Minister's residence we are voting $2,520 more than was spent on the operation and maintenance of the Prime Minister's residence in the previous fiscal year. On the theory that this is the committee of supply in which we examine estimates in detail, could someone explain this to us and in particular tell us what one is to think about this business of giving the nation the notion that a saving of $800 is being made when in point of fact we are being asked to vote $2,520 more than was spent in the previous year?

Mr. Drury: Mr. Chairman, I am not sure that anybody made representations that savings were being made. Perhaps these were the conclusions drawn by those who did not analyse the figures put forward as thoroughly as did the hon. member for Winnipeg North Centre. If he looks at the detail on page 382 to which he has referred he will see that the principal item in the cost of running this establishment is salaries and wages; and I think he will be aware, as most of us are, that during the course of the current year we have been engaged in extensive collective bargaining, the result of which has been generally an increase in the total emoluments paid by the government and received by its employees. One would expect that running the same establishment with the same staff and providing the same degree of facilities would cost more in the current fiscal year than it did in the previous one. As the figure shows, this in fact is borne out.

Mr. Knowles (Winnipeg North Centre): I think it is now time for me to return to the minister the compliment he paid me a while ago. He told me I was describing the question period honestly. In return I congratulate him on his honesty. He is now making it clear that despite all the publicity about cutting down the cost of running the Prime Minister's residence we are actually going to spend more in this year than we did in the last.

Mr. Drury: That is correct. The hon. member knows that we do not control Mr. Ferguson in his programs.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Knowles (Winnipeg North Centre): Perhaps Mr. Ferguson will note this increase and give us another show on it next week.

Mr. Orlikow: Mr. Chairman, I want to make a few remarks today, and hope they will not be taken as a sign of criticism, or as a complaint. I really want to raise a question about which members of parliament and the public should be concerned. There have been frequent reports from the press in recent months about the very sharp increase in the staff in the Prime Minister's office. I do not have the press clippings here with me today and I do not think it is important that I should read them, but in fact there has been virtually a doubling in the number of people working in the Prime Minister's office. I am not necessarily objecting to this.

• (3:50 p.m.)

When I think of recent Canadian elections in which attention has been focussed on the leaders of the various political parties, when I think of the results of the 1958 and 1968 elections, it seems to me obvious that the Canadian people—and I am not being critical—are paying a good deal more attention to the leadership of the political parties, and are increasingly voting for the candidate to the Prime Minister's office. They cannot do it as directly as do the people of the United States, when they vote for one candidate for president. The people in Canada vote in their constituency for the candidate of the party whose leader they want to be prime minister. I can remember that in the 1958 election in my constituency people came into the polls and wanted to vote for Mr. Diefenbaker. They were surprised when nobody would tell them who Mr. Diefenbaker's candidate was. This was the only time in the last 50 years in which a Conservative was elected in that constituency. As I say, I am not objecting to this. The people of Canada have a right to make this choice if they wish. However, it does seem to me that if we are going to do what, in effect, I think we are doing, that is moving toward a presidential system, then some changes would seem to be necessary in relation to the form of government we have had in this country for many years.

It seems to me that to the extent the Prime Minister's office becomes more important, to the extent the Prime Minister has a larger staff of experts and technicians dealing with general policy matters which traditionally have been dealt with by government departments, the importance of the cabinet is reduced. The Prime Minister's office takes on

more and more authority and more power. I cannot vouch for the stories current in Ottawa that one gets from the newspaper people, and all sorts of other people. These stories are to the effect that the situation has reached the point where, if a cabinet minister wants to speak to the Prime Minister, he has to go through somebody in the Prime Minister's office.

Mr. Drury: Nonsense.

Mr. Orlikow: The President of the Treasury Board says it is nonsense. However I am told by what in the past have been reliable sources that this is so. It seems to me if we are moving in this direction, and at the moment I am not saying it is bad to move in this direction, then the members of the committee and the general public are entitled at some point to a statement from the Prime Minister outlining precisely what the reorganization on the Prime Minister's office has been. What has been the increase in the staff? How many people are there and what responsibilities do they have? In what way, if any, has this affected the responsibility of individual cabinet ministers to deal with the subjects that come under their departments?

This raises other questions for some of us, Mr. Chairman. For example, yesterday some hon. members were asking about an important problem, namely the facilities for drying damp, tough wheat. Does one go to the Minister of Agriculture with this problem, or would he go to one of the regional desks which the press have told us have been established in the Prime Minister's office? I do not know, and I doubt if any other hon. member in this house knows what the answer is. However, it does seem to me that at some point, and I am not saying it should be today because I did not give notice that I intended to raise this question, we ought to have an explanation from the government as to just how they see the changes in government structure they are making.

I want to make it clear before I sit down that I am not objecting to change. I am one of those who believe that life in the 60's and 70's will be a great deal more complicated than it was in the 30's and 40's. The government will have to play a much more important role in the life of the country than it has in the past. I believe we are going to have to have a great deal of change in government organization, but it seems to me we ought to have an explanation of the kind of changes which have been made.

Mr. Marshall: If I may, I should like to revert to the question of absentee ministers for a moment, because this is the first opportunity I have had to mention the subject. The hon. member for Trois-Rivières talked about co-operation. The best way I can deal with my point is to say that I am not interested in political warfare but rather more interested in the political intrigue that goes on in this house. I was not a member of the legislative assembly for nine years, nor was I in this house before September 12. I asked a very urgent question on behalf of my constituents.

I asked it by telephone on August 19, and came up to Ottawa on a special trip to get an answer. I went to the ministry of forestry and rural development; I went to every staff member, every assistant and every private secretary. I put the question on the order paper on September 16. I have been calling that particular department every day since then and I still do not have the answer, although it has been promised daily. They can talk about co-operation, but I did not even ask the question in the house. I went through the proper channels and co-operated.

The members on the other side seem to like sincerity, Mr. Chairman. All I am going to point out is that I have co-operated in every way possible but I cannot get an answer to a normal question that concerns my riding. I feel definitely there is a lack of sincerity on the part of the government.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I should like to ask where in the estimates is the money for the Prime Minister's staff?

Mr. Drury: I think the answer to that is vote 10, the details of which are given on page 383.

Mr. Knowles (Winnipeg North Centre): Specifically, that seems to be for the staff of the privy council office, of which the President of the Privy Council is minister. I understand the operations of the privy council. There is a distinguished civil servant who is Clerk of the Privy Council, and it handles all orders, regulations and so on. What about the people who are attached to the Prime Minister's office who hold down these various desks and who are part of the personal staff of the Prime Minister? I am referring to the staff that works for the Prime Minister; are they included in this vote with the people who work in the privy council office?

Mr. Drury: I am told that they are included in this vote. This means that within this vote there will be a number of people, some of whom are appointed through the civil service mechanism, mostly in the privy council office, and some limited number of whom are appointed by order in council to the staff of the Prime Minister.

Mr. Knowles (Winnipeg North Centre): Is there no way of looking at these estimates and getting an exact picture of the Prime Minister's staff as such? No matter how long I ask questions, I would not get an answer today, would I?

Mr. Drury: I am afraid not. This has been a source of regret to a number of us. I do acknowledge that this method we have employed in the past of putting total expenditures, I will not say "is designed to conceal", but it has this effect. I hope to be able to present to the public accounts committee a different and more effective system of setting forth the estimates so that one can distinguish main purposes, objectives and programs rather than have this global explication which does not explain too much.

• (4:00 p.m.)

Mr. Knowles (Winnipeg North Centre): It is the contention of some of us that all this could better be done in a standing committee.

Mr. Drury: My being here this afternoon is not my idea; I am here at the request of the house. The house chose to consider these estimates in committee of the whole rather than in a standing committee.

Mr. Knowles (Winnipeg North Centre): When the President of the Treasury Board is putting through the estimates of the privy council, may I ask whom he is representing?

Mr. Drury: I represent the government.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I pass. It is hopeless.

Mr. Macdonald (Rosedale): That is a wise move.

Mr. Orlikow: When I spoke earlier, Mr. Chairman, I was not being critical of the government. I am looking for information and have no desire to prolong discussion on these estimates. Could the President of the Privy Council or the assistant to the Prime Minister tell the committee—and I do not insist on great detail—how large is the staff in the Prime Minister's office this year as compared with last year, and whether any changes have taken place. Are newspaper reports correct when they say that staff has doubled? Also what are the responsibilities of that staff?

Mr. Walker: Mr. Chairman, I am glad the hon. member asked this question, since it was answered fully in the press release of July 31, 1968, which dealt with the reorganization of the Prime Minister's office and named those who are filling particular categories.

To answer an earlier question I cannot, as the President of the Treasury Board said, pin down to specific figures salaries paid in the Prime Minister's office. Job classifications in the office are described in the press release, which I commend to the hon. member.

Mr. Orlikow: Surely we have not come to the point where the government does its business through press releases, although I do not object to press releases. I asked a legitimate question and I should like to have an answer which can be printed in *Hansard*, and thus form part of the official record. By that I am not asking the assistant to the Prime Minister to read into the record a lengthy press release. Could we not have an answer which could be printed in *Hansard*? For instance, are there 30 people in the Prime Minister's office now, as compared with 15 formerly. What are their responsibilities and so on? It should not take the assistant to the Prime Minister long to answer such questions.

Mr. Nowlan: It might help the President of the Treasury Board and the parliamentary assistant if this matter were approached from a different standpoint. In considering the office of the privy council, as distinct from the office of the Prime Minister, I should like to know whether there have been increases in staff positions in the former office. The vote before us indicates that, as between one year and another, there has been an increase in man years, but that is incidental to my question. What has been the staff increase in the privy council office? The answer to that question will determine whether I shall ask another one. In other words, under vote 10, what increase is to be ascribed to the office of the privy council and not to the office of the Prime Minister?

Mr. Knowles (Winnipeg North Centre): Those really ought to be separated.

Mr. Drury: Mr. Chairman, it is somewhat difficult to separate those categories. Those who are aware of the physical workings of the operation will know that both operations

are housed in the same building, and there is some degree of intimacy in the work and objectives of both staffs. While in general the function of the privy council office is to serve as a secretariat for the cabinet and for the Governor General in Council, it is obvious that a number of functions carried out under this head will serve the secretarial needs of the Prime Minister in his capacity as representing Canada at federal-provincial conferences. To try to separate the two functions in a clear-cut way is difficult. Frankly I am not sure of what the hon. gentleman is getting at; it is difficult to know. I regret that in their present form our estimates do not show the cost, in terms of total resources and dollars and cents, of performing a specific function, because the functions are lumped together. There are distinctions between different grades of personnel, but none is made with respect to total resources required for a particular function.

[*Translation*]

Mr. Matte: I agree wholeheartedly with the hon. member for South Shore (Mr. Crouse) who spoke earlier about the Royal commission on bilingualism and biculturalism. There was no need for him to apologize about his anti-French-Canadian feelings since I am in full agreement with him.

That completely useless item should be removed from the estimates and here is why: Everyone is perfectly aware of the situation in Canada and no inquiry is needed to bring it to light. In addition, there are organizations which will be happy to give us information free of charge and to divulge the facts without our having to spend millions of dollars to do it. For years the French-Canadian minorities of the nine other Canadian provinces have compiled numerous documents about the bilingualism and biculturalism of minorities throughout Canada.

As far as Quebec is concerned, we have been aware of the situation for a long time and the Sociétés Saint-Jean-Baptise have been fighting for years for the French fact. It would have been possible, and it still is, to secure all information from them, and better still, free of charge. Moreover, the Estates General of French Canada, thanks to their working groups, could also provide all necessary information.

Hence, this royal commission on bilingualism and biculturalism constitutes an unnecessary expenditure and I would like to know the exact amount of salaries paid to the co-chairman of the commission, Mr. Jean-Louis Gagnon.

• (4:10 p.m.)

[*English*]

The Deputy Chairman: Does the hon. member for Annapolis Valley wish to speak while the parliamentary secretary is getting this figure?

Mr. Nowlan: I should like to direct two questions either to the President of the Treasury Board or to the parliamentary secretary to the Prime Minister or to the President of the Privy Council.

An hon. Member: He is right there.

Mr. Nowlan: The President of the Privy Council is right over here. What is the complement of the Prime Minister's office today as compared with a year ago? I should like to ask the same question with respect to the privy council office. I am not worried now about the dollars and cents; I simply wish to know the number of bodies employed as compared with a year ago. We are dealing with the privy council and I do not think it is asking too much to expect the President of the Privy Council, who is present in this chamber, to answer these simple questions.

Mr. Macdonald (Rosedale): The hon. member has asked me about the complement of the privy council staff. May I say that, except with respect to the parliamentary returns branch which has been transferred from the Department of the Secretary of State, I do not have direct responsibility for any aspect of the privy council office. This falls within the responsibility of the Prime Minister who is represented here today through his parliamentary secretary. The President of the Treasury Board is also present to give details in connection with his responsibilities.

Mr. Nowlan: Would the President of the Privy Council not agree that this is a perfect expression of the difficulties encountered during the question period in determining who has jurisdiction? I asked the hon. gentleman for an answer, but I did not get one. This illustrates the value of having as many ministers as possible present in the chamber during the question period. But since the amiable and genial parliamentary secretary to the Prime Minister—

Some hon. Members: Hear, Hear.

Mr. Nowlan: —is sitting just across the way, may I ask him whether it is possible to get an answer to those two simple questions I raised, or whether it is impossible?

Mr. Walker: No, it is not impossible; but it is not possible right at this moment. It is impossible for me to separate all the positions listed on page 383 under general administration, and say that so many are included primarily in their capacity as part of the Prime Minister's staff, and that so many others are employed in the privy council office. As the President of the Treasury Board said earlier, some of these people are working in both the capacities I have mentioned. I am pleased to give this answer to the genial hon. member for Annapolis Valley and trust he will be amiable enough to allow us time in which to get the information he wants, letting these estimates go through in the meantime. I will undertake to see that the type of breakdown that he wants is produced.

Mr. Nowlan: That proves how able and amiable the parliamentary secretary is, because his suggestion is quite agreeable to me. Whether it is acceptable to the hon. member for Winnipeg North is another matter.

Mr. Orlikow: I do not want to prolong this discussion unduly. I have looked at the press release which the parliamentary secretary sent over to me, which lists 17 or 18 positions. I guess that about 20 people work in the Prime Minister's office. I should like to be given a statement by someone representing the Prime Minister—a statement, not a press release—telling us first of all how many people work in the right hon. gentleman's office. I differentiate between these people—and I am not saying this in a critical sense—and the staff of the privy council who are, I presume, civil servants and stay on regardless of who is prime minister. I should like to know how many were on the staff of the Prime Minister in 1967, and how this number compares with the number on the staff in 1968. I should like to know who these people are, I should like to be informed as to their background and qualifications, and further—and this is of particular importance to me—what their responsibilities are. I do not insist that this be done today, on a Friday afternoon. But at some point we shall be bound to face up to the changes which are taking place in government, and to the implications of the much more important role which the Prime Minister's office is playing now as compared with the days when Mr. King worked with one or two secretaries.

[*Translation*]

Mr. Rondeau: Mr. Chairman, I do not want to go into too many details; however, I wish to direct some questions to the President of the Treasury Board (Mr. Drury), concerning—

Mr. Stewart (Cochrane): Mr. Chairman, please forgive me but I suspect the member for Champlain (Mr. Matte) has not finished his remarks. He is merely waiting for the reply of the parliamentary secretary.

With your permission, I should like to put a question to him.

The Acting Chairman (Mr. Richard): I should like to remind the honourable member for Cochrane (Mr. Stewart) that it is up to the President of the Treasury Board to decide whether or not he will reply to the question; in the meantime, I believe the debate should continue, and we can come back to the question when the President of the Treasury Board is ready to give his reply. That is why I recognized the member for Shefford.

Mr. Rondeau: Mr. Chairman, the President of the Treasury Board will probably not be able to answer all the questions which I want to ask him but he might be able to inquire.

With regard to vote No. 1, under the heading "Continuing establishment", we see that seven employees look after the maintenance and operation of the right honourable Prime Minister's residence. Could the President of the Treasury Board tell us, later if he cannot tell us now, and I am not asking that information for censorship purposes, what exactly are the duties of each of those seven employees? On vote No. 5, we see that in 1967-68, an amount of $15,000 was appropriated for the salaries of Ministers without Portfolio, while in 1968-69, the same vote amounts to $27,000, that is an increase of $12,000. I should like to get some explanation regarding that $12,000 increase.

I should like also to get some information regarding the following item:

Allowance to former Prime Minister, $16,667.

Could the minister also give an answer to that question?

I could perhaps put immediately a question with regard to vote No. 10.

Salaries and wages—

where we see a tidy sum of—

$1,842,500.

and

Professional and special services, $982,300.

For the time being, I shall be satisfied to ask this kind of questions only and to get some answers.

Mr. Stewart (Cochrane): Mr. Chairman, may I now put my question?

Mr. Matte: Yes.

• (4:20 p.m.)

[*English*]

Mr. Walker: Mr. Chairman, the hon. member for Champlain was inquiring about Mr. Gagnon's salary. It is not on the basis of a salary. It is on the basis of a per diem, which is the same as all the other commissioners and, depending on the number of days, this makes up the total amount of salary. The commissioners on that commission are paid $100 a day.

Mr. Orlikow: And they have worked longer than any other commission.

[*Translation*]

Mr. Stewart (Cochrane): According to the member for Champlain, the commission on bilinguism and biculturalism would be completely useless. I would like to ask him if he believes that the bill on official languages which will soon be brought forward in this house and which will give full rights to all Canadians is also useless. This is not what could be implied from his speech.

Mr. Matte: Mr. Chairman, when the bill mentioned by the hon. member is passed, I will have some comments to make. It is perhaps too soon to make up one's mind, but I would add this: just because an area is called bilingual we should not thinks that it becomes so.

For example, in my area, that of Saint-Casimir, in the constituency of Champlain—

The Acting Chairman (Mr. Richard): Order. I thought that the member for Champlain (Mr. Matte) had completed his reply. He did well, a while ago, in saying that the matter could be discussed some other time. However, it is not his responsibility to answer questions such as the one the member for Cochrane has just put, for we are not discussing a particular item, and the responsible minister is the President of the Treasury Board.

[*English*]

Item agreed to.

Supply—Privy Council

The following items were agreed to:

Privy Council Office—

Ministers without Portfolio—

5. Payment, notwithstanding anything in the Financial Administration Act or the Senate and House of Commons Act respecting the independence of Parliament, to each member of the Queen's Privy Council for Canada who is a Minister for whom no salary or allowance in addition to the allowances under section 33 and section 44 of the Senate and House of Commons Act is provided (the acceptance of which shall not render such member ineligible or disqualify him as a Member of the House of Commons) of a salary of $7,500 per annum and pro rata for any period less than a year, $27,000.

10. General Administration, $3,117,300.

15. Expenses of the Royal Commissions listed in the Details of Estimates, $2,105,000.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I have a question or two with regard to the royal commission which is inquiring into the price of agricultural machinery. I notice an item of $400,000 for its studies this year, and I would like to know when its report might be expected. Further, in view of the delay in receiving a report from the commission I would like to know whether the government is willing to take any interim action on the price of farm machinery? In view of the fact that the commission is going to spend at least $900,000 I think the government should make a statement on what it intends to do in the interim before receiving the commission report. It has taken so long for this commission to do its work that its data will be irrelevant. The farm machine companies are complaining about commissions such as this, and farmers are unhappy with them because they hold hearings, but the government takes no action on their reports.

Mr. Walker: Mr. Chairman, because I am not a member of the government I cannot give the hon. member a reply as to any interim measures that the government may or may not be contemplating. This question should be addressed to the Minister of Agriculture. However, I can give a specific answer on the work of the commission itself. As the hon. member knows, the commission was appointed in 1966. Work on the preparation of the commission's report is well under way and is expected to be completed, including translation, in June, 1969. The commission will be expected to terminate its activities shortly after that date.

Mr. Orlikow: Can I get some information from the parliamentary secretary to the Prime Minister or from the President of the

Privy Council with respect to the second item on the same page of the estimates, expenses of the royal commission on security procedures. I had the impression that the commission had finished its work and made its report to the Prime Minister. Yesterday during the question period I tried to get Mr. Speaker's eye to ask the Prime Minister if my impression was correct.

In the vote for the commission for the coming year there is a sum of $226,000. How much longer will the commission take to complete its work, and when will its report be ready? I ask this for a very specific reason. The former solicitor general, who has now gone to another place, before he became a cabinet minister had a bill on the order paper which would certainly curtail, if not prohibit, the use of wire tapping and electronic eavesdropping. The present hon. member for York-Scarborough has a similar bill on the order paper now, and I also have one.

Up until now, when hon. members have raised questions about the advisability of passing legislation either outlawing such procedures or at least regulating them, they have been told they should not do anything until the government receives the report of the royal commission which is looking into security procedures.

• (4:30 p.m.)

I would be very interested in obtaining information concerning the status of that royal commission, when it might make its report and whether the government, once it has that report, will table it in the house.

Mr. Walker: I can report to the hon. member that the work of the commission is nearing completion and that the report is expected to be available to the government within the next month. This is the information I have.

I should also like to point out that on September 18, when the question of tabling the report came up, the Prime Minister answered in this way:

> Mr. Speaker, it is conceivable that there will be matters in it which I will not want to table in the house. The report may concern security matters which should not be made public. I do not know; I want to see it first. The hon. member cannot ask me this kind of hypothetical question and expect an answer on the subject.

I hasten to point out that the question to which the Prime Minister was replying was not asked by the hon. member who asked the present question. It is my understanding that the report itself is expected within the next month.

Mr. Orlikow: I might make the comment that of course one would not expect any government to make public a complete report which might very well deal in detail with security matters, and an investigation of espionage by our security personnel. At the same time I hope the Prime Minister will not expect members on both sides of this house who are interested in a law which would regulate and even prohibit wire tapping simply to take somebody's word that the report says we ought or ought not to pass legislation on this matter, without seeing at least that part of the report.

Mr. Lundrigan: Mr. Chairman, earlier it had been my intention to engage in the debate relating to the presence of ministers in the house during the last couple of weeks. My hon. colleagues, however, have done such a commendable job in presenting the logic of the situation and in presenting the arguments for our side that I thought it unnecessary for me to take part in the debate in the present circumstances. I think the feeling of members of the house has been adequately expressed.

May I make one brief observation about the estimates. Some months ago the government in power made a decision in relation to the salt rebate which, of course, comes under the estimates of the Department of Fisheries. At that time $300,000 was automatically withdrawn from the Atlantic fishermen. I have just returned from having visited my constituency, where I found that 15,000 people faced a difficult winter as a result of the withdrawal of this so-called band aid policy.

Some weeks ago the hon. member for Burin-Burgeo attempted to justify the position of the government with regard to the abandonment of the band aid policy of support for the fishermen of the Atlantic coast. I believe it is generally agreed there was a great need for a long term plan or policy. How, therefore, can the government justify an expenditure last year, for example, of $600,000 to the commission on the status of women? I hasten to tell hon. members that on the east coast of Canada the women have a status equal to that of the women in eastern Canada. We do not take issue with this particular point. We are not attempting to suggest that we are not interested in a priority of this kind. We are wondering, however, how a government can justify placing the Atlantic fishermen in a compromised position while

spending last year $600,000 and this year $584,000 on investigating the status of women.

I could also refer back to the estimates of $668,000 and $1 million for the B and B commission. This is a total of approximately $3 million for two investigations. The people in the Atlantic region are very conscious of their responsibility in relation to these two areas of endeavour, but for the life of me I cannot see the logic of approving an expenditure of $584,000, on the royal commission on the status of women, and at the same time robbing the fishermen of the Atlantic region. My question is very simple: What logic is there in the thinking behind the decision to appropriate approximately $600,000 to support the royal commission on the status of women.

[*Translation*]

Mr. Rondeau: Mr. Chairman, what strikes me in the items under consideration in the house today is that, last year, we gave $2,658,000 for the various royal commissions. This year, we are being asked $2,105,000 for five different royal Commissions and we do not know how much those commissions will cost once their work is over nor how much we will have to spend in the future for other inquiries of that kind.

We recall, for instance, that the Glassco commission cost a lot and that the government has taken from it a few good ideas concerning the improvement of its services. But the cost of the royal commission, as against the practical benefits obtained by the government, is out of proportion.

This is what strikes me. Those commissions sit and spend government money. We do not know when they will be through with their work but we are being asked year after year to vote new items. What will be the final cost of all those inquiries?

• (4:40 p.m.)

So, Mr. Chairman, in two years from now, we will have spent the tidy sum of $4,763,000 for inquiries only, and the government always seems interested in having new inquiries opened.

For instance, I should like the President of the Treasury Board to give us information regarding the royal commission on the status of women in Canada. Who were the members? What remunerations were paid? I should like that the assistant to the President of the Treasury Board to give us this information which I think he has. We would like to know, if possible, when this commission will end its sittings and when we shall get a report?

[*English*]

Mr. Walker: In answer to the specific question concerning the status of women royal commission, may I say that it is anticipated the report of the commission should be available by the end of 1969.

I wonder if I might say that I have considerable sympathy for many of the views concerning royal commissions that have been expressed here today. In speaking from this seat it may be difficult for me to express a personal opinion, but I do so in any event. I have often wondered—because there are some commissions which are better than others—whether some of the work done by commissions might not just as well have been handled by members of the other place, or by a special task force. I do not speak for the government in saying this, but I do believe that as members of the House of Commons we might look into something along this line in the future, so that our colleagues in the other place might undertake the work being done by some of these commissions. I hope this will not provoke an argument or discussion, but I should like to let the members of the house know that I certainly share some of the feelings that have been expressed here today.

[*Translation*]

Mr. Laprise: Mr. Chairman, I represent the riding of Abitibi.

With regard to item 15, I thank the hon. parliamentary secretary for his explanations and I quite agree with him that the members of the Senate could very well do part of the work undertaken by some of the royal commissions. I should also like to say that I greatly admired the report of the Senate committee on aging. I think the members of that committee did a very good job and they should be encouraged to pursue their work in other fields. Indeed, I believe they would be prepared to do so, for we have noticed for some time past that increasingly younger representatives are appointed to the Senate, and I think they could accomplish some excellent work.

Now, I would like to ask the Secretary of State (Mr. Pelletier) whether he knows if the government intends to establish other royal commissions in the near future, as we would like to know ahead of time.

[*English*]

Mr. Lundrigan: Mr. Chairman, I am wondering about the usefulness of spending something over $600,000 for a royal commission

studying the status of women when there are so many other problems to solve. I am thinking specifically of fisheries. I have difficulty answering some of the arguments which have been presented to me by my constituents. When I ask questions on behalf of the Atlantic people I am being very serious. I think one of our greatest problems here in the House of Commons results from the fact that when we talk about the serious fisheries situation many hon. members do not consider seriously what is being said. Very often these questions are interpreted as being facetious. Questions relating to this subject are very often glossed over or taken as a joke. I am very serious when I pose these questions to the parliamentary secretary and I should like a reasonable answer and I am not reflecting on your attitude, sir, when I make that observation: I am referring to the house generally.

Mr. Walker: I wish I could answer the hon. member's question in a satisfactory manner, but I am unable to do so. He has asked me to comment on the expenditure of a considerable amount of money on royal commissions when at the same time there are problems in respect of fisheries. This is not my role at this time. If the hon. member will take my word for this, he will realize that my role is not to explain the policies of the government to the house. My only role at this time is to provide whatever explanation I have available on these specific items. I cannot speak for the Minister of Fisheries, as I am not responsible for those estimates.

Mr. Danforth: Mr. Chairman, I am sure hon. gentlemen opposite who are speaking on behalf of the government this afternoon are experienced parliamentarians. They have both held seats in this house for some time. The people of this nation are concerned and familiar with the activities of royal commissions which have been given specific and important tasks. They know that the members of these commissions are appointed directly by the government and that their duties are set out in terms of reference. The people of this nation are concerned when they consider the tremendous amounts of money spent by these royal commissions and about what control the government has over them once they have been seized of their assigned tasks.

In view of my profession I am very much interested in the royal commission investigating the farm machinery industry. It was said this afternoon that the report from this commission can be expected about June, 1969. The terms of reference were given to this commission in 1966. Many people would like to know what the government does to follow up on these terms of reference. How is time allocated, and how does the government go about getting these commissions to report back within a certain period of time? I know the situation varies in respect of the subject matters presented to these commissions, depending on the complexity of the subject matter and the number of people who wish to appear before the commission, but the government must have some control. I should like to know how this control is applied. Does the government make a preliminary survey and anticipate the length of time required to investigate a subject, or what is the procedure in this regard?

Mr. Drury: Mr. Chairman, it is difficult to give a precise answer to this question. I suppose the result in each case is a balance between two conflicting principles. The object in appointing a royal commission is to seek the advice, the knowledge and the skill of someone who is independent and will be able to look at a problem objectively. We cannot gain the benefits of independence and objectivity if we try to control these people by telling them what to do and when to do it. If we do so we are in effect hiring the dog and doing the barking ourselves. Apart from a general outline of the problem to be considered, the matter is left to the royal commission which has been chosen because of the knowledge, skill, dedication and objectivity of its members. It is left to them to select the means of finding the answer in the most appropriate way.

Human nature being what it is, naturally people with responsibilities such as mine cannot avoid urging royal commissions to hurry up and get their work done. We urge them not to spend so much money, but these are in the nature of exhortations rather than controls. This is the way it should be. Perhaps that is not a satisfactory or precise answer to the hon. member's question.

Mr. Macquarrie: I have some concern, and I recognize certain temporal improprieties in discussing so briefly a matter such as a royal commission. I was very taken with the minister's simile about hiring a dog and doing the barking yourself; that is very good. I have only a little time to bark. In view of what he described as exacerbations, I am wondering if they are indeed exacerbations—and I am thinking about what has resulted from the bilingual and bicultural commission.

What are the results of this commission, apart from the attitude of people toward its goal and its contribution to national unity? I noticed a cartoon in the *Globe and Mail* regarding the appointment of a new co-chairman, where he is depicted as entering a room where the cobwebs have covered literally every person in the room, as well as all the equipment being used by the commission.

• (4:50 p.m.)

I see there has been a diminution of expenditure in the various fiscal years which have been listed. Can we assume from the cold, hard statistics, the $668,000 as against the $1,040,000 and the preceding figures, that in fact this massive exercise, research and study is approaching a stage where in all likelihood we can expect that this item might appear in next year's estimates as an expenditure not required? In other words, are we near the end of the line in the very, very important—I do not denigrate it at all—analytical job that is being done by this rather high quality commission.

Mr. Walker: Mr Chairman, I think the cartoon to which the hon. member referred did less than good service to the bilingualism and biculturalism commission, which I believe has in philosophy done something for the country in that it involved and interested many Canadians to the point that they tried to understand the mechanics of national unity in the country.

My patience might be as great as the hon. member's with regard to the length of time the report seems to be taking. However, I believe the sittings across the country have been completed and it is now a question of assembling the information and preparing the reports, some of which are prepared now. This is the work to be undertaken.

The hon. member questioned whether we could look forward to a continual reduction of the amount in the estimates. On the basis of the information I have, I believe this is so. The commission has now completed its deliberations on the education volume; it is in the last stages of proof-reading and editing, and will be ready for printing almost immediately. Would the hon. member like me to give some account of the volumes now under way, and the different stages they have reached within the staff?

Mr. Macquarrie: That would be a good idea, Mr. Chairman.

Mr. Walker: All the data of information gathered from the public hearings is now being sifted, edited and put together, but I might well be misleading the house if I suggested that this would take only a matter of months. My information is that it would appear the commission's work will continue well into the 1969-70 fiscal year. I refer to the work of editing, drawing together and preparing the reports of all the work carried out heretofore.

It is perhaps pertinent in this regard to mention the great loss suffered through the death of the co-chairman, Mr. Laurendeau, who played a central part in the work of the commission. As hon. members know, this position has now been filled. I think we may run into the situation—and I hope I am right—where the expenses will be going down, but there is still many months work to be carried out, unless we are prepared to lose the total investment and not do anything with information which was gathered at great expense.

Mr. McGrath: Mr. Chairman, I would prevail upon the parliamentary secretary to the Prime Minister to give an undertaking to the committee that he will bring to the attention of the Prime Minister the remarks of my hon. friend from Gander-Twillingate with respect to what we in Newfoundland consider to be a very grave injustice perpetrated upon Newfoundland fishermen.

I am sure the Prime Minister, with his great sense of justice and his just society, would want to have this matter corrected at least for the balance of the year. The salt rebate was cancelled at the very worst time, a time when the Newfoundland salt fishermen were getting well into their season. I would ask the parliamentary secretary to bring this matter to the attention of the Prime Minister, perhaps with a view to having the vote restored.

Mr. Walker: I had already made a note to do that, Mr. Chairman.

Mr. Yewchuk: Mr. Chairman, I wish to make just a comment or two about the royal commission on the price of farm machinery. This inquiry has been going on for some time and many farmers in the west are now suffering a great deal of distress; their operations are being closed down because of the discrepancy that exists between their income and the price of farm machinery, and so on. This is becoming a matter of great urgency to the

western farmer and, I presume, to the eastern farmer as well. I wonder whether the hon. member can give me some idea when this report will be forthcoming, and whether there is any intention to follow it up with some stabilization of farm machinery prices, and so on.

Mr. Walker: Mr. Chairman, I thought I had replied to this question. I shall do so again. Work on the preparation of the commission's report is well underway and it is expected to be completed, including translation, in June, 1969.

Item agreed to.

17. Expenses of the Science Council of Canada, $377,900.

Mr. Aiken: Mr. Chairman, I intended to make some comments in connection with science policy. However, it is now nearly five o'clock and I find I can make my comments just as easily on the item which comes under Treasury Board, namely the National Research Council. In the interests of getting these estimates through, and on the understanding—which I am sure the minister will give—that I will not be restricted too much when we reach the item covering the National Research Council, I would be glad to leave my remarks until then.

Mr. Drury: I would welcome that, Mr. Chairman.

Mr. Orlikow: Mr. Chairman, I intended to make some remarks at this time, but on the same understanding I am agreeable to letting this item pass.

Item agreed to.

Economic Council of Canada—
20. Administration, $1,601,000.

Mr. Gleave: Mr. Chairman, I am prepared to begin my remarks now, or does Your Honour wish to call it five o'clock?

Mr. Drury: Mr. Chairman, I hoped we might be able to take the one or two minutes necessary to complete the estimates of the privy council.

Mr. Gleave: Is it in order for me to proceed, Mr. Chairman?

The Acting Chairman (Mr. Richard): Is this agreed?

Some hon. Members: Agreed.

[Mr. Yewchuk.]

Mr. Gleave: The Economic Council of Canada has made some fairly important recommendations in regard to agriculture. I am curious to know whether the recommendations contained in its last report, which is now before us, will be implemented. We have been talking about the farm machinery report, which will not be handed down until 1969; but the fifth report of the Economic Council of Canada makes some pretty important recommendations with regard to agriculture. It says that we could use more intensive research and development in this area. It says that we could use computers for farm management and that this should be tied in with the use and application of credit to farming operations. As far as I know, this recommendation has not been put into effect. For example, it has not been put into effect with regard to the subject about which we were talking during the last few days, namely the farm credit bills.

The report of the Economic Council says that special attention should be paid to the education of rural youngsters. In Regina, Saskatchewan, youngsters are complaining because they cannot get student loans with which to go to university. It is not the first time the Economic Council in its report has suggested this particular action. It has suggested this sort of thing in previous reports, but the recommendations have not been acted upon. It seems to me that if we are to pay the expenses of an Economic Council, if we are to pay the cost of operating such a body, some action should ensue in regard to the recommendations it makes.

• (5:00 p.m.)

By the very fact that the Economic Council is set up to survey the economic well-being of the nation we would expect that we are heading into an economy that will be planned and organized as the result of the findings of that council, and that a direction will be given to the economy which will benefit the people in the various vocations which are examined and discussed. For example, the report says that we should investigate the marketing and the production of grain. The council also said that we should increase the productivity per person and that efficiency should be increased. We are now seeing the results of the efficiency in the corn growers who travelled to Ottawa and said, "We have practised this efficiency and now we cannot sell at a profit the product which we have produced".

So I think the suggestions of the council are entirely relevant to this situation, in that if the people of Canada are to be urged to produce and to put all their efforts into it, then someone had better be given the responsibility of checking whether they are producing the right things and whether someone will want it when they have produced it. I think the Economic Council is well worth the money that is being spent on it, but there is not much use using the best brains in our country on the Economic Council, which makes certain recommendations, if we ignore those recommendations thereafter. I suggest that to a large extent, at least in agriculture, this is what has happened. If I am wrong, I stand corrected, but this is my observation.

About two years ago last winter a conference on agriculture was held in Banff. Experts from all over the world arrived to participate in it. At that time the council told us the same things which we find now in its fifth report. As nearly as I can observe, very little has been done in the intervening two years. If it is essential that we give more education to our youngsters, and the council says it is, then the government should follow this up if it considers the Economic Council to be a good institution.

I did not particularly want to make a plea today for agriculture. That is not my purpose. My purpose is to plead that when we have a commission with the prestige of the economic council that we act on their recommendations. If we are to act on those recommendations we will have to do something about what I may describe as the market economy, that is we must alter the market economy. We cannot urge sugar beet growers in Ontario, as we have done in the times past, in the general direction of efficiency and say to them, "you have to be better at producing sugar beets" and then have such small control over the economy as to allow some sugar company to put them all out of business within six months. It just does not make sense. This report suggests greater efficiency by the farmers and more productivity per man. It tells us how much we have increased productivity per man in Canada in the last 15 or 20 years. It points out that in the area where I farm, our increased productivity per man has been higher than in some other parts of Canada. But I can also say there is a lack of markets, and productivity per man will go down because there are no markets to absorb the particular item we are producing.

Perhaps some of you may have heard about the side hill dodger, who can only go round and round the hill all the time because one of his legs is shorter than the other. We are doing the same in our approach to our farm economy, the marketing aspects of which are being ignored. These are the points I wanted to make.

Item agreed to.

Public Service Staff Relations Board—
25. Administration, $1,409,000.

Item agreed to.

The Acting Chairman (Mr. Richard): This disposes of the estimates of the privy council.

Resolutions adopted in committee of supply this day reported and concurred in.

The Acting Chairman (Mr. Richard): Order. It being five o'clock the house will now proceed to the consideration of private members business as listed on today's order paper, namely private bills, and public bills.

NORTHERN AFFAIRS

PROVISION FOR ESTABLISHMENT OF ALASKA-YUKON HIGHWAY AUTHORITY

Mr. R. N. Thompson (Red Deer) moved the second reading of Bill No. C-9, to provide for the establishment of the Alaska-Yukon highway authority (Alaska highway).

He said: Mr. Speaker, I would be quite happy to allow the bill to pass without debate. I say that because this is a very important bill, one which has been before this house in its present form several times. I would remind hon. members that in the twenty sixth parliament it was bill C-106 and in the twenty seventh parliament bill C-112. It concerns me very much that members of the house, particularly hon. members on the government side of the house, do not take more notice of this very important topic. As evidence that it is important I would just remind the house that it has been given unanimous support and approval by every chamber of commerce in the province of Alberta, northern Saskatchewan, northeastern British Columbia and central British Columbia. It has been given support particularly by the Montana Chamber of Commerce and many other local chambers of commerce throughout the central northwest part of the United States.

• (5:10 p.m.)

Beyond that, Mr. Speaker, it has drawn the attention of United States legislators. I have

before me letters from men well known in Canada, such as Senator Bartlett of Alaska, Senator George Aiken of Vermont, Senator Mike Mansfield of Montana, Congressman Harold Johnson of California and many others I cannot take the time to list this afternoon. This highway represents one of the great epochs in the history of northwestern and western Canada. It is now more than 25 years since Canada and the United States agreed to the name, Alaska highway. This is a 1,523 mile road between Dawson Creek, British Columbia and Fairbanks, Alaska. I think perhaps we fail to recall what a tremendous feat the building of this highway was. It was built in haste but it has a place in history. It is something in which North America can take pride, Canadians and Americans.

In 1942, there was the threat of the Japanese coming to the shores of North America. The muskegs, forests and mountains gave United States engineers nightmares as they faced their task of building a military road through the wilderness in the shortest time possible. At that time the Japanese were pressing United States forces in the Pacific, and an invasion of North America, with landings on the west coast, was feared. A road to Alaska built through Canada was regarded as an essential defence undertaking. Construction was started in the spring of 1942. Six months and $140 million later, the highway opened to wheeled traffic. About 10,000 United States engineer troops and about 4,000 Canadian civilians completed this incredible task. In 1943 the road was improved with an all-weather gravel surface. There are 133 bridges of 20 feet or more in length. From the Alaskan border to Fairbanks, the highway is now paved. From the United States border through Alberta and beyond Fort St. John, the two provincial governments of Alberta and B.C. have constructed and paved connecting highways up to or better than trans-Canada standards. There are still approximately 1,200 miles unpaved.

This highway, built as a military road, does not meet the demands that civilian and commercial traffic now place upon it. A few years ago it was turned over to the Department of Public Works from the Canadian military, having been turned over by the United States military to the Canadian military at the end of world war II. The cost of maintaining this highway is now expensive, yet it carries an amount of freight which is even beyond our realization. It has been a land link between the United States, Alaska and that tremendously developing part of Canada which is northwestern Alberta, northeastern British Columbia and the Yukon.

In this particular bill, Mr. Speaker, I have designated the name of this highway as the Alaska-Yukon highway because that is exactly what it is. This bill presents a modern approach to a very complex problem. It would establish the Alaska-Yukon highway authority, a non-crown corporation. This corporation would be made up of members of the federal government, the provincial governments of Alberta and British Columbia and the territorial government of the Yukon. There is provision in this bill for associate membership by even municipal governments as well as foreign governments. On this basis the United States and Alaska could participate.

This idea of establishing an authority for the construction of an international project of such great importance to both countries involved is not new. It has been used several times in recent years for major projects. The idea came to me originally when I visited the tunnel that has been constructed through the Alps across the Swiss-Italian border. For years and years this tunnel was projected on the drawing boards and talked about at international conferences between Switzerland and Italy. These countries could never come to a position where they could agree to establish a joint committee for negotiations which would lead to an agreement for the building of the tunnel. Then, the idea was presented to set up an international autonomous authority to which the governments of both countries could contribute. This would eliminate the need to negotiate an international treaty and facilitate the necessary financial arrangements.

This Bill No. C-9 is drafted in such a way that not only can the federal governments of the United States and Canada contribute to the cost of construction but the provincial and territorial governments as well as the state of Alaska can also contribute.

It is my opinion that this is the only way this highway will be completed. It seems to me everyone who understands the importance of this communication road agrees that it must be built. However, there is not even enough interest in Ottawa for such a project to initiate negotiations between the two countries through the facilities of the International Joint Commission. This bill would establish a non-crown corporation which would permit participation of all governments concerned in

such a way that this authority could reconstruct and pave this tremendously important road. Bills have been introduced in the United States Senate and Congress which would, if approved, permit contribution of funds on a 50-50 basis between the United States and Canada, because of the importance of this highway to Alaska to the United States.

There are other examples that could be cited where this type of authority has been used to accomplish projects which were too big for any particular level of government. I am thinking of the New York world's fair. The New York world's fair authority was established as an autonomous corporation to which the governments of the state of New York and the city of New York as well as the government of the United States were able to contribute in order to make this a joint project.

It is unique in other ways as well, and that is because it is a non-crown corporation. This non-crown corporation would be administered by a body that provides for regional, federal, provincial and other interests. This is the opportunity we have been looking for which would permit the construction of this highway without the long, tedious negotiations that are usually involved in such joint international projects.

Another example where this type of organization has worked very effectively can be found in the United Kingdom parliamentary charity commissioner, and in France in the commissaires-enquêteurs and rapporteurs. This system has allowed deputies of the French chamber and members of the British parliament to participate in various activities which involved different levels of their governments.

• (5:20 p.m.)

It is important to the economy of western Canada as well as to the economy of Canada as a whole to have the tremendous resources of the Canadian northwest developed. Air transport is playing its role in that development, but I submit it is only by utilizing road transportation to the fullest extent that the full potential of that part of the country is to be developed.

Chambers of commerce and members of provincial legislature have shown great interest in this bill. I am sure that the hon. member for Peace River, who seconded my motion to introduce the bill would, if time permitted, vouch for the tremendous interest there is in this project in his part of Alberta. There is great enthusiasm also for the subject matter of this bill in notheastern British Columbia and in the Yukon territory, as well as in Washington, Alaska and the northwestern states.

I commend the bill most seriously to hon. members of the house. We who are charged with responsibility for overseeing the economic welfare of the entire country, must not fail to recognize the economic benefits that would flow from the development of the highway. Some will say that the cost of building it is exorbitant. Certainly construction costs have risen in the last few years. Originally when hon. members of this house began talking of this project they envisaged an expenditure of about $125 million. We are told that construction and paving costs now would exceed $200 million. The United States government has already said it is willing to pay half this cost, and I am sure that since the Yukon territory and British Columbia stand to gain much from the project they would be willing to share in the cost of construction. Alberta thinks the project is so important that it has gone ahead and completed that portion of the highway leading to the border of British Columbia, the construction standard of which is higher than would be necessary if there were not extensive commercial traffic.

I commend this bill to the government. Since the economy of western Canada, to say nothing of the economy of the entire country, will benefit from the completion of this highway, I submit action ought to be initiated immediately. We must not procrastinate any longer. This is the kind of investment that pays for itself. It is important to the general development of our economy. I submit that the government will find no better way of approaching this matter than by allowing this bill to pass second reading, so it can be referred to the standing committee on national resources and public works.

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, I am impelled to rise in support of the intent of this bill and wish to commend the hon. member for Red Deer (Mr. Thompson) for drawing the attention of this house to the importance of the Alaska highway in the continuing development of Canada's northland. Areas in Alberta, British Columbia and the Yukon, from Edmonton to Fairbanks, have benefited greatly as a result of the highway, which was rather hurriedly constructed by the United States government during the

war as a partial defence for Alaska. Admittedly, it is somewhat unfortunate that more time was not available, as some sections are poorly located.

I hope to take a little time explaining the history of the road. I also hope to show how this bill may have application to it. At the end of the war the road was turned over to Canada, and the army took it over in the first period. It cost us about $12 million a year to maintain, and our army was in control. Later, the Department of Public Works inherited the highway and has been successful in reducing the annual cost of maintenance to about $6 million. This expenditure appears to have maintained the road at an operational level but has not allowed for any real improvements to be made to the highway.

There have been a number of consultations with the United States government, at arms length, with a view to the United States government paying half the costs of maintenance and paving. Some years ago the United States government sponsored a report which, I believe, was subsequently submitted by the Bettel Institute. Their findings indicated that the cost of improving and paving the highway could be profitable from the standpoint of a tourist attraction, alone.

I do not know what are the actual figures produced by the report. I do recall, however, that the government of Canada was impressed and encouraged by the findings. However, the government of Canada undertook a feasibility report on the highway. While emphasis was naturally pointed toward engineering, economics were also considered. The report appeared to substantiate that one third of the highway needed relocation, one third needed rebuilding, and one third was ready to pave.

The discouraging fact was that in order to complete an acceptable highway, it would cost $210 million. I understand that considerable time and effort was devoted to a study of the return to Canadians in terms of usage. It is conceded that during the war, and for a period following the war, a tremendous number of trucks used the highway, carrying goods north from Seattle. The loads consisted of housing materials, portable housing for Alaska, and other items used in expediting United States army units there. However, information brought to our government during the past few years indicates that commercial traffic has considerably decreased, and in fact is lessening each year. This is largely due to heavily improved water transportation on the west coast out of Seattle, and our own transport over the Canadian National Railways to Prince Rupert, and on to Alaska. This is taking a great deal of Alaskan business. Considering only the volume of traffic on the road, it is less important to Canada now than it has been.

[Mr. Pringle.]

• (5:30 p.m.)

Tourist travel, however, is still high and is growing. It is my opinion that it will continue to expand annually. There is little doubt that because of the dust factor, most tourists are unhappy about the highway as now constructed. It is also an uncomfortable highway on which to travel. Today's tourists with modern cars find distance less of a problem than in previous years, but they still require safe highways free from dust. In other words, tourists want comfort as well as safety on the highways.

It is my understanding that our government agreed recently, as a result of discussions with the United States government, that any further costs in connection with capital expenditures, required to improve the highway, should be shared by the United States on a 50-50 basis. I also understand that discussions along these lines are continuing.

It must be appreciated that at present the Alaska highway route is the only land corridor available to join two parts of the United States together. In fact, the discussions which have been held emphasize that for all practical purposes the Americans could find that the highway is of greater significance to the United States than it is to Canada. This is a matter of concern and continuing discussion between Canada's parliamentary group and the United States Senate group which meet annually. Canada has decided in the interim to maintain the highway and also to carry out some improvement.

There are approximately 82 bridges on the highway. Some 23 or 24 of them have already been replaced on a more or less permanent basis. Replacement requirements will probably accelerate, because the rest of the bridges are rotting and will not carry the weight of traffic. It is estimated that all of the 82 bridges will be replaced within the next three years. About $2 million was spent in 1968.

I understand it is intended to pave another 10 miles at the end of mile 83 which will bring the pavement in that area to a total of about 93 miles out of Dawson Creek. This is rather important to our American friends, and shows evidence of good faith. We are also

paving six miles through the rapidly growing town of Fort Nelson in order to alleviate the dust problem there. There are 2,500 people in Fort Nelson now, so that the extra paving will be welcome to provide assistance in dust control. Twenty-five miles of paving is also to be laid at a section of the highway around Whitehorse, where expansion is increasing beyond expectation. The metal industries in two areas around Whitehorse increased their output from $43 million in 1965 to $141 million two years later. By 1970 it should reach a quarter of a billion dollars.

It is expected that heavy trucks will be travelling the highway to Whitehorse every ten minutes, so considerable attention must be given to improvement of the highways in that area. Our government has also co-operated with our American friends to improve Haynes highway through the provision of snow removal equipment. We therefore find that the future of northern development depends to a large extent on close co-operation with the people of Alaska.

My purpose in reviewing these facts is to bring to the attention of the house the heavy involvement of the federal government in the improvement and maintenance of the Alaska highway. It is evident there is a great deal of merit in considering future negotiations for capital cost, which would place some responsibility on the shoulders of the United States government. Were we to abandon the involvement of our federal government in the development of the highway, is it not reasonable to expect that insurmountable barriers could arise? If it is the intention of this bill to place the operation of the road in a corporation other than a crown corporation, it would not, in my opinion, Mr. Speaker, be fair or proper to expect the federal government to foot the bill.

Some hon. Members: Hear, hear.

Mr. Pringle: I do not believe the bill goes far enough in connection with the terms of reference applied to the proposed corporation. No estimates are included which would enable the house to judge the amount of funds which would be required for capital costs in the immediate future, and no figures have been submitted covering maintenance costs.

I also believe that the reference to funding the required obligations is unrealistic. The cursory review I have made would suggest that a great deal of money is likely to be required. While the suggestion made with respect to bond and debenture issues appears to indicate that considerable thought has been given to the problem by the hon. member for Red Deer (Mr. Thompson), I cannot but feel that the federal treasury would be petitioned for the major portion. If this is true, then it would follow that control of the spending of the money should remain with parliament.

In my opinion there is a valid argument that the time has arrived when all governments benefitting from the Alaska highway should get into the act.

Some hon. Members: Hear, hear.

Mr. Pringle: It would appear feasible that the provinces of British Columbia and Alberta, working in close co-operation with the federal government, should become increasingly involved, from a financial point of view.

I do not mean to suggest from my brief remarks today that I see no merit in the bill. Indeed, I believe that the importance of arterial highways to the development and progress of Canada, especially in remote areas, is greater today than at any time in our history. Great strides have been made in highway construction in Canada during the past number of years, especially in western Canada. The great farming areas of western Canada are requiring industrial expansion as never before. Technological exchange has kept Canadian farmers abreast of the times in farm automation. Although I quickly agree that farm earnings are not adequate, it is my considered opinion that there is nothing wrong in the farming industry of Canada that expanded markets would not quickly cure. In fact, Canadian farmers have been producing to a surplus position instead of a consuming market for as long as I can remember. Food production has expanded through the encouragement of government to over-produce, to the point where today it has reached an exceedingly dangerous level.

• (5:40 p.m.)

During these early days in the twenty eighth parliament of Canada, I have heard many references made to the concept of family farms. I have been dealing with family farmers for years, and I heartily agree that they epitomize a way of life which is hard to beat. I also believe that well operated, efficient family farms will not disappear. I do not believe that bigness alone is a requisite of success. If this were true, Mr. Speaker, then the large department and mail order houses would have closed the smaller merchants long ago. What does all this have to do with a highway? I shall continue.

I freely admit that successful family farms are going along with the trend to specialization, and those who are recognizing the transition which is taking place will undoubtedly emerge successful. It is not the family farm that will disappear; it is the old concept of family operated diversified farming which is doomed. An advocacy of programming to maintain family diversified farms is as unfair as suggesting that rural electrification and highways are unnecessary.

I am convinced, as are many of my farmer friends, that the day is here when farmers must be prepared to establish area farming economic units, where they must produce to meet consumer demand, with the emphasis on the avoidance of costly surpluses. My point is substantiated by the statistics now available from segments of the agricultural industry which have, during the past six to eight years, established planned programs of production as procurement commissions for secondary industry.

The quiet revolution taking place in farm operations will undoubtedly spread. Expansion of this concept will grow in relation to consumer demand. What we need is more consumers. We need areas expanded through highways and good roads, areas which are close to raw materials such as those to be found parallel to the Alaska highway, so that farmers can become more involved in industry and so that they can give a hand to increasing the number of consumers.

Therefore, Mr. Speaker, I again commend the hon. member for Red Deer for his bill, although I cannot totally agree that the formation of a non-crown corporation is the correct approach to further development of the Alaska-Yukon highway. I commend the hon. member, because highways mean development. The highway between Edmonton and Fairbanks undoubtedly holds the key which will open vast natural resources. Accessible natural resources mean industry, and industry requires people. People are consumers. The urgent need for a more equitable balance between producers and consumers to enlarge domestic markets has never been more acute than it is today.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I rise to support this bill, No. C-9, providing for the establishment of an Alaska-Yukon highway authority. I support the idea because it seems to me that some sort of co-ordinating body is required in order to ensure that more rapid progress takes place in the development of this highway. The hon. member for Fraser Valley East (Mr. Pringle) has stated that there have been rapid strides made in road construction. Maybe there have been, but if we look at the figures pertaining to this highway, 1,523 miles long, finished in 1943, we find that there are still 1,200 miles not paved, and generally in poor condition. I think this may have occurred because of the lack of a proper co-ordinating body to bring together the views of the various governments involved in the construction and maintenance of this road.

I do not need to repeat all the important developments that would result from improvement of this road. They have been mentioned by previous speakers, but tourism is one thing that cannot be overlooked. The Yukon contains a vast potential for tourist traffic development. The nice thing about tourism is that we are not really exporting anything. People come to look at our country and they leave their money here.

It has been stated that between $6 million and $12 million has been required annually for the upkeep of this highway under present circumstances, and that a total of $200 million would be required for completion of the pavement. It appears that the expenditures now taking place, multiplied over a period of 20 years or so, would cover the cost of paving the road. If an Alaska-Yukon highway authority were established, which would actively work toward this goal, it might be reached in the near future.

Because of the importance of this highway I urge that serious consideration be given to this bill. I shall not say much more because I do not want it talked out. I have heard the hon. member for Fraser Valley East support the bill, and I presume he was expressing the view of his party. I hope no further members will speak on it, so that it can be passed and sent to the appropriate standing committee.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, it is not my intention to talk this bill out, but I too would like to commend the hon. member for Red Deer (Mr. Thompson) for introducing this very interesting topic to the house. I am one of the members from British Columbia. For years we in B.C. have been looking for a good access to the north as one of the major contributions which the federal government could make to the vital highway links that we need in the western part of Canada.

As you know, Mr. Speaker, for many years we have heard the slogan "Roads to Resources." That is actually what the hon.

member has raised in this important bill. I presume that, like the rest of us, he has become somewhat disillusioned with the federal government. He realizes, as many of us do, that it will take a number of years before it proceeds with a full program to pave this vital road link, and he has suggested that a highway authority be established. Personally I think it is a very good idea to approach other parties who are interested in this road link. I have in mind the provinces of British Columbia and Alberta, the state of Alaska, the United States government, and of course our own federal government here in Ottawa.

• (5:50 p.m.)

I have been over the road, and I am familiar with a large section of the highway. It is very scenic although extremely rough. It is full of potholes and it is dusty, and anything but an asset or an attraction to the great tourist industry which it could and should serve, were it paved as it should be. It seems to me that far too little attention has been paid by the federal and other government authorities to the vast untapped and undeveloped resources which we have in the north, the northeastern and northwestern parts of our nation. We do have the trans-Canada highway, stretching from one end of Canada to the other, and there is not one section of our nation which has not benefited economically from the building of this road link.

In the Yukon we have another section of Canada. I believe that this important section of our nation should also have a road link of a standard at least equal to that of the trans-Canada highway. This of course is where the federal government enters the picture. It is not my intention to talk out this bill. There is ample time for us to put it through the second reading state this afternoon.

Although perhaps it would be better if the federal government were to look after the task of building this road link, the mere fact that the federal government has failed to do so, and the mere fact that we have had recent statements which indicate that in the immediate future there is little chance that this vital road link will be paved, prompts me to say that I have no hesitation in suggesting to the house that we endorse the bill which has been put forward by the hon. member for Red Deer (Mr. Thompson).

Mr. Ian Watson (Laprairie): Mr. Speaker, I wish—

Some hon. Members: Question.

Mr. Watson: —to congratulate the hon. member for Red Deer (Mr. Thompson) upon bringing this bill to the attention of the house. I was recently a visitor to the Yukon and appreciate full well the tremendous benefits which would accrue to that part of Canada if the highway were paved from Dawson Creek to the Alaska frontier. I am told that not only do we need the 1,200 miles of pavement but that we also need to rebuild some 400 miles. I have learned also that all the bridges require rebuilding. The sum involved is high, but within our means. I agree with other hon. members who have spoken today that this is an economically feasible project and that we should be doing something about it now.

Some hon. Members: Question.

Mr. Watson: So far as the Yukon is concerned it would appear to me that we could substantially reduce commodity costs in that part of the country if transportation costs were reduced as a result of the increased speed which would be possible on the highway were it paved and partially rebuilt. One area of the economy of the Yukon which is undeveloped now is tourism. With the paving of the Alaska highway, tourism in the Yukon would blossom, and if access roads were built this blossoming of tourism would spread into the Northwest Territories as well. The faster access to the south would also be an additional stimulus to the development of the Yukon's tremendous mineral and timber resources.

For these and other reasons which hon. members have given today, the overwhelming economic evidence is to the effect that the highway can and should be built without any more delay. The tourist potential for Alaska alone underlines the interest which the people of the United States generally as well as the people of Alaska have in this project. There is no question but that Alaska would be visited by tremendous numbers of people from the northwestern parts of the United States who would like to see their 49th state.

I would hope that in the very near future the governments involved could get together in an effort to do something about this project. At the same time I would hope it would be possible for the authorities in the Yukon, who are concerned with having a corridor to the Pacific, to raise the question with the authorities in the United States and Canada so that we could solve these problems at the same time.

I have one final point which should be of particular interest to the maritime members present. In eastern Canada we have a similar problem. This summer I was happy to have been a visitor to the eastern provinces. One thing that struck me was the lack of fast road access to the maritimes. We have the state of Main jutting up into the provinces of Quebec and New Brunswick. If a corridor were built across this part of Maine I am convinced it would do more for the maritimes than all the money the Atlantic Development Board has been spilling around.

I should like to suggest the suggestion of the hon. member for Red Deer in respect of an Alaska highway authority be broadened, so that the authority would become a corridor authority in which money supplied by the United States government for a corridor through the state of Maine would be met by equivalent Canadian funds spent on paving the Alaska highway in the Yukon to the Yukon frontier.

Mr. Thompson (Red Deer): Mr. Speaker, would the hon. member permit a question? In view of the fact that he apparently is in agreement with the principle of this bill, as are all the other parties in the house who have spoken on this matter, does he think it would be a very good idea now to let this bill pass second reading so that the committee could really study the suggestion he has made, as well as the question of the Yukon highway?

Mr. Watson: I would propose that the federal government immediately convene a conference of the governments of the states of Maine and Alaska, the maritime provinces, Quebec, Alberta, British Columbia and the Yukon Territory as well as the Atlantic Development Board, as well as the federal governments of Canada and the United States to deal with both projects simultaneously.

Mr. Speaker: Order. It being six o'clock I must advise the hon. member that the period for private members business has expired.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, as I announced earlier today the business for Tuesday will be, one would hope, the completion of the committee stage of the farm improvement loans bill, followed by second reading of the Farm Credit Corporation amendment bill, then the committee stage of that bill carried through to conclusion, and later on that day I will be ready to announce the business for the remainder of the day.

• (6:00 p.m.)

Mr. Bell: Mr. Speaker, may I ask the minister whether the ministers' attendance roster will be the same for next week?

Mr. Macdonald (Rosedale): Perhaps I should indicate to the hon. member that we are taking advantage of the very helpful comments made by hon. members opposite and will be glad to make one or two revisions to that roster.

Mr. Knowles (Winnipeg North Centre): Will the ministers who are supposed to be here on Monday be here?

Mr. Macdonald (Rosedale): The hon. member will know by the rules that no ministers are supposed to be here next Monday.

The Acting Speaker (Mr. Richard): This house stands adjourned until two thirty o'clock, Tuesday, October 15, pursuant to standing order No. 2(4).

At six o'clock the house adjourned without question put, pursuant to standing order.

[The following items were passed in Committee of Supply this day:]

GOVERNOR GENERAL AND LIEUTENANT-GOVERNORS
1, 5.

PRIVY COUNCIL
1, 5, 10, 15, 17, 20, 25.

END OF VOLUME I